

The **NATIONAL UNDERWRITER** *Life Insurance Edition*

WHO WRITES WHAT?

WE DO!

Have you been stymied in serving an old policyowner because you couldn't write family income without a base policy?

Would you like to cover the new 30-year mortgages with pure reducing term?

Have you clients who need family income riders for an odd number of years?

Do you need low-cost protection for a short period to cover a debt?

IF SO, Northwestern National Life's HOME PROTECTOR is the answer.

- ◆ It is decreasing term without a base policy.
- ◆ It is participating with annual dividends which can be accumulated as a conversion fund.
- ◆ It is issued with automatic waiver of premium included in the rate.
- ◆ It is issued sub-standard up to 250% mortality.
- ◆ It is extremely low in net-cost but pays you top commissions.

For full details contact the nearest agency of

**NORTHWESTERN NATIONAL LIFE
OF MINNEAPOLIS**

40 Years' Experience in Brokerage Service

Second in a Series

FRIDAY, SEPTEMBER 24, 1954

PAUL REVERE ... the Man

To many, mention of this famous name brings to mind the image of a cloaked figure on a dramatic midnight ride. Actually, of course, Paul's ride was a comparatively minor incident in a full life.

He started the first copper-rolling mill in America and, later, furnished copper for boilers in Robert Fulton's steamboats.

He made the plates for the first currency issued by the Revolutionary government of Massachusetts.

In gold and silver he created exquisite things still treasured by the Boston Museum of Fine Arts and the Metropolitan Museum.

His name headed the list of charter members of the first effort in America to insure property against fire.

He was one of the earliest cartoonists. His work did much to build up sentiment for the colonies.



The Company — Paul Revere — takes its name from the patriot — Paul Revere. And although

there is no direct connection, it is significant that each is a symbol of service and security.

THE PAUL REVERE LIFE INSURANCE COMPANY WORCESTER, MASSACHUSETTS

A NATIONAL INSTITUTION
A LEADER IN ITS FIELD

PAUL REVERE the Company ...

As a leader in the non-cancellable Accident and Sickness field, the Paul Revere is one of the largest and most experienced underwriters.

Among life companies, Paul Revere's growth has been rapid. Its insurance-in-force exceeds \$360,000,000 ... accomplished in but twenty-four years.

The 48 states, the District of Columbia, Hawaii and Canada comprise the territory of the Company. It is represented by 88 general agencies.

Policy plans written by the Company include complete personal Accident and Sickness coverage (including Individual and Family Group Hospital). All are non-cancellable and guaranteed continuable.

The Company also writes all individual Life forms ... Group Life and Group disability insurance.

The NATIONAL UNDERWRITER

The National Weekly Newspaper of Life Insurance

58th Year, No. 39
September 24, 1954

Four ALC Sections Announce Programs for Chicago Meets

October Sessions to Feature Nationally Prominent Speakers

Programs for the section meetings to be held during the American Life Convention annual parley at the Edgewater Beach hotel, Chicago, Oct. 5-8, have been announced by their chairmen. Speakers who will address general sessions were announced earlier.

The legal section will meet Oct. 5, with Chairman Ray B. Lucas, Kansas City Life, presiding. Speakers and their subjects are Rowland H. Long, Massachusetts Mutual, "Experience in Trying Our Own Cases"; Phineas M. Henry, Equitable Life of Iowa, "Lifetime Agency Contracts"; Robert Dechert, Penn Mutual Life, "The New Commercial Code and its Application to Insurance Companies"; Daniel J. Reidy, Guardian Life, "Insurance Dollars—Should They Be Spent Behind the Iron Curtain?"; William H. Abell, Commonwealth Life, "Recent Activities Under Labor Law," and Stuart A. McCarthy, Equitable Society, "1954 Federal Tax Developments Applicable to Life Company Operations." Ralph H. Kastner of the ALC will present his "Review of Legislation and Litigation in 1954". A luncheon session will be addressed by Joseph O'Meara, dean of the Notre Dame University law school, on "Some Reflections and Observations on Legal Education as Seen Through the Eyes of a Former Chairman of the Section".

Presiding over the financial section gathering Oct. 8 will be George T. Conklin, Jr., Guardian Life. He will give an address on "Some Fundamental Considerations of Investment Policy". Others on the program are Dr. C. C. Hurd, director of the applied science division of IBM, "The Implications of Automation in American Industry"; W. A. Clarke, president of W. A. Clarke Mortgage Co., Philadelphia, "The Longer Term Future of Mortgage Investment for the Life Insurance Industry"; C. M. White, president of Bank of Manhattan, New York, "The Business Outlook"; William H. Anderson, North American Life of Canada, "The Long View of Life Insurance Investment", and Sherwin C. Badger, New England Mutual Life,

Subscribers to Get Full NALU Convention Report

Complete coverage of the NALU Boston convention, plus on-the-spot photos, will be found in three special daily issues being published this week by The National Underwriter in the convention city. Besides being distributed at convention sessions, copies of all three issues will be mailed to regular subscribers.

August Sales Set Record for Month; Ordinary Gains 9%

August insurance sales were the highest ever for that month, and new ordinary business also set an August record, according to LIAMA. Total sales of \$2,944,000,000 were up 3% over the previous August, and brought the year's aggregate to \$24,492,000,000. Ordinary sales were \$2,018,000,000, 9% higher than August, 1953.

Industrial sales amounted to \$547 million, a 2% increase. New group life of \$379 million was down 19%.

During the first eight months, total sales were up \$727 million over the similar period in 1953. Ordinary accounted for \$16,305,000,000, a 5% increase; industrial represented \$4,398,000,000, up 1%; and group amounted to \$3,789,000,000, down 1%.

"Recent Money Market Developments and the Outlook"

The combination companies section, of which W. J. Williams, Western & Southern Life, is chairman, will meet Oct. 6, limiting its activities to a luncheon to be addressed by Paul F. Clark, president of John Hancock Mutual.

Addressing the agency section gathering Oct. 5, at which Charles W. Arnold, Kansas City Life, will preside, will be W. T. Grant, chairman of Business Men's Assurance; Loren E. Powell, managing director of LUTC; Davis W. Gregg, dean of the American college; Hal L. Nutt, Purdue school of marketing; A. R. Jaqua, Southern Methodist marketing institute; Carl Ljung, Jefferson Standard Life, and Dr. William H. Alexanders of the First Christian Church of Oklahoma City.

NALU, Investment Companies Adopt Guiding Principles

National Assn. of Life Underwriters and National Assn. of Investment Cos. have adopted a joint statement of principles. The statement establishes a recommended guide to salesmen of investment company shares and life agents in their professional dealings with clients, with each other, with other financial counsellors and with the public.

The executive and public information committees of the investment group and the trustees of NALU have approved the statement, which is the result of the work of a joint committee named in July to develop a program to increase mutual understanding between the two fields.

Dorsey Richardson, chairman of the investment group's executive committee, and Robert C. Gilmore, Jr., president of NALU, stated that no one gains in negative selling which attempts to undermine public confidence in a competing product or service. Life insurance and investment company shares both have a place in family financial planning and each can and should be sold on its merits. Though neither organization can enforce compliance with the principles, each organization will do its utmost to get a cooperative approach.

In substance the guiding principles read:

To best serve their clients life agents and salesmen of investment company shares must understand the products, functions, operations and services of each other.

Such understanding can come only from careful study of each other's

(CONTINUED ON PAGE 23)

Pick Chicago Area for Location of NALU Headquarters

Trustees Override Council and Preference Poll Vote at Annual Meet in Boston

BOSTON—The board of trustees of National Assn. of Life Underwriters at the annual meeting here decided to stick to the decision they made at New Orleans to locate NALU headquarters in the Chicago area.

This was in spite of the local associations' preference poll vote that was nearly two to one in favor of Washington, D. C., and a vote taken by the national council here which gave a substantial majority to New York over Chicago in a run off vote after Washington had been eliminated on the first ballot, in which no city scored a majority. The council's recommendation was doubtless weakened in large degree by the predominance of eastern associations at the meeting.

The board being the governing body of NALU, its decisions are not affected by expressions of the national council or by preference polls such as were conducted this past summer on the location question.

If the board's action was a surprise to many, an even greater one was the news that NALU and its public relations director, Wilfrid E. Jones, had come to the parting of the ways. President Robert C. Gilmore, Jr., of NALU told insurance newspaper men Monday that "with the greatest possible regret" he was announcing that the board of trustees had terminated Mr. Jones' services. He did not amplify this statement but it is understood that the action resulted from a difference in viewpoint as to how the association's public relations activities should be conducted. Mr. Jones said he had no comment to make except that he would make a definite announcement shortly. He has under consideration three positions that have been offered him. He was for many years editor of *Life Association News* as well as being its business manager and continued in the latter position after turning over the news editorship to James Partridge, who was temporarily named to handle NALU publicity. Mr. Jones has been with the association 25 years and hundreds of his friends had planned to surprise him at Monday's national council session with a gift and a volume of letters attesting their friendship and esteem.

M. L. Camps, general agent of John Hancock in New York City, was elected chairman of the General Agents & Managers Conference. He succeeds Ray H. Wertz, Lincoln National, Detroit.

Elected to serve with Mr. Camps are Judd C. Benson, Union Central, Cincinnati, and L. Mortimer Buckley, New England Mutual Life, Dallas, both vice-chairmen; Carr R. Purser, Penn Mutual Life, New York City,

(CONTINUED ON PAGE 23)

Late News Bulletins . . .

Gregg Heads American College, Graebner Dean

BOSTON—Dr. Davis W. Gregg, dean of the American College since 1951, was elected president by the board of trustees at its annual meeting in Boston during the National Assn. of Life Underwriters convention. He succeeds the late Dr. David McCahan. Herbert C. Graebner, dean of the college of business administration of Butler University, will succeed Dr. Gregg as dean Feb. 1. Before becoming dean Dr. Gregg had been assistant dean since 1949.

Weltz Named to Handle Surplus Line Business

Earl H. Weltz & Co. of Philadelphia has been appointed general agent of Phoenix Mutual for surplus line business in all of the states in which the company is licensed. The Weltz organization has branch offices in a number of key cities.

Buroker Goes With Franklin in Wash.

Fred H. Buroker has been named co-general agent in Kelso, Wash., for Franklin Life. He will be associated with General Agent Floyd Hoggatt. Mr. Buroker is a veteran of World War II and joined Kansas City Life as an agent in 1946. In 1952 he went with New World Life as manager at Longview, Wash. He is a past president of Longview Assn. of Life Underwriters.

Rourke in Bankers L. & C Sales Training Post

Bankers Life & Casualty has appointed Robert J. Rourke sales training director. He has been with the department of education and personnel of International Harvester since 1949. Mr. Rourke has also been active in the fields of education and speech at the universities of Illinois and Minnesota and Illinois State College.

Lay Cornerstone for Minn. Mutual Home Office



Another milestone in the progress of the new Minnesota Mutual Life home office building was marked with the laying of the cornerstone. President Harold J. Cummings, shown above at the extreme left with company and civic officials, presided at the ceremony. Among state and local dignitaries attending were Governor Henderson of Minnesota and Mayor Dillon of St. Paul. Also on hand were members of the St. Paul city council, directors of Minnesota Mutual Life, as well as 400 home office employees.

Mr. Cummings described Minnesota Mutual as "the fastest growing mutual life insurer in the U. S." He said the company is now well on its way to its second billion dollars of life insurance in force. It passed the \$1 billion dollar mark last year.

Another guest was Sam R. Weems, general agent at McAllen, Tex., "dean of the company field force" with more than 34 years of service. Eight winners of a "cornerstone-laying sales contest" also attended. Five were agents, R. N. Link, Los Angeles; R. R. Humpton, Davenport, Ia.; J. S. Flex,

Houston; J. J. Cook, Des Moines, and H. D. Lorensen, San Francisco; and three general agents, G. G. Oursland, El Paso, Tex.; R. O. Schmidt, Davenport, and W. L. Wilson, Miami.

Thomas A. Phillips, chairman of Minnesota Mutual, did the honors in the actual laying of the cornerstone. It is expected the new building will be occupied by August 1955, in time for the company's 75th anniversary.

American Hospital Assn. to Build Chicago Home

American Hospital Assn. at its annual meeting last week in Chicago voted to double association dues to make possible construction of a new headquarters building and a center for hospital affairs and to expand its program of service to hospitals. It is understood that Blue Cross will make its national headquarters in the new building, construction of which is expected to begin within six months with occupancy scheduled for about two years hence. The board of trustees recommended to the house of delegates that an offer from Northwestern university for the use of property on Chicago's Lake Shore Drive be accepted.

Ready Agenda for Medical Directors Rally Oct. 12-14

The program has now been completed for the annual meeting of Assn. of Life Insurance Medical Directors at the Royal York hotel, Toronto, Oct. 12-14.

Addresses will be given the first day by Dr. Ray F. Farquharson, University of Toronto professor, on "The Present Medical Situation", and Dr. John Halliday, Australian Mutual Provident Society, on "The Differentiation in Assessment of Basal Systolic Murmurs."

Speakers and their topics the second day will be Dr. John P. Gemmell, Monarch Life of Canada, "Radioactive Isotopes and Insurability"; Dr. Robert M. Janes, University of Toronto professor, "Insurability after Chest Surgery," and Dr. Hans Selye, University of Montreal professor, "Recent Advances in the Study of Stress." There also will be a symposium on "Coronary Artery Disease" by Dr. J. Keith Gordon, Sun Life of Canada; Dr. Edward S. Mills, Prudential of Canada, and Dr. Clifton L. Reeder, Continental Assurance.

Discussing "A Laboratory Procedure in Insurance Medicine" the final day will be Dr. Donald H. Woodhouse, Sun Life of Canada, and Dr. Guy Jorian, Montreal General Hospital. Other talks will be made that day by two University of Toronto professors, Dr. Edmund H. Botterell, "Insurability after Brain Surgery," and Dr. Neil E. McKinnon, "Cancer Mortality".

John Hancock Promotes Three at Home Office

Robert L. McVie has been elected assistant secretary of John Hancock. He has been association claim director since 1953.

Lawrence B. Gilman, associate counsel, was made claim director; and Nathaniel P. Williamson, field auditor, was made assistant auditor.

Mr. McVie was with the coordination division of Metropolitan, specializing in expense analysis and methods procedures, 1939 to 1942. After military service he joined John Hancock as a methods analyst in 1946. In 1951, he was made assistant personnel director, and in 1953, associate claim director.

Mr. Gilman joined John Hancock in 1946 as an attorney and was made associate counsel in May, 1948.

Mr. Williamson joined the finance department of John Hancock in 1928. In 1949 he transferred to the auditing department staff and for the past several years has been handling specialized auditing functions in the home office and field.



Robert L. McVie

Ledford Succeeds I. F. Hall

Hubert F. Ledford, one of the founders of State Capital Life of North Carolina in 1936, has been elected president succeeding Irving F. Hall. Mr. Hall becomes chairman. Secretary of the company since its organization, Mr. Ledford has been executive vice-president for two years.

Bohlinger May Ask Power to Regulate Union Welfare Funds

NEW YORK—The New York insurance department concluded its hearings on union welfare funds after developing substantial testimony on irregularities in their management. The results will probably lead to legislation giving the department supervision over such funds.

Superintendent Bohlinger has said the department would urge the legislature in January to make it mandatory for all funds to publish annual statements and to authorize the department to examine the funds periodically. There may also be recommendations for broader supervision of the funds. As the legislation now stands, the department has the power to investigate and bring mishandling of union welfare funds to public attention, but at present it has no power to do anything about irregularities.

As a result of the hearings, Walter P. Reuther, president of the CIO, ordered five of his unions to clean up the welfare funds or be expelled from the organization. Max Greenberg, president of the Retail, Wholesale and Department Store union, suspended six local officials who had admitted using welfare money to provide themselves salaries, offices, automobiles, vacations and other special benefits.

Meanwhile a dual congressional investigation was put into effect with Sen. Ives, of New York, as chairman of the Senate probe and Rep. McConnell of Pennsylvania as head of a similar committee in the House. The effort will be nation-wide and Sen. Ives has reported that both Mr. Reuther and George Meany, president of the AFL, have promised full cooperation with the committees.

The New York insurance department, however, will pursue its own course in the investigations irrespective of what the congressional committees do. Its investigation is continuing.

In bringing to light the mishandling of the funds, the department found one case in which the fund contained no money to pay premiums although union members had contributed \$250,000 to it during the year.

Harold Wakshull, now an engineer for International Business Machines, told how he collected \$36,276 in commissions on welfare insurance over the past five years though he had never met the officers of the unions he represented and had never performed any services for them.

Mr. Wakshull obtained an agent's license at the suggestion of his brother, Leon W. Berney, then head of Industrial Insurance Agents Union, communist dominated local which CIO expelled. Mr. Berney, he said, had been asked by United Furniture Workers, CIO, to suggest an agent for the fund. According to the testimony the union neither needed nor wanted an agent, but it had been informed that the law prevented an insurer from waiving the payment of commissions and crediting the savings to the premiums. So the union decided it was better to have an agent get the commissions than to pay them directly to the company.

After Mr. Wakshull became an agent, he made a private agreement

(CONTINUED ON PAGE 21)



More Time for Selling!

NO ROUTINE CLERICAL WORK FOR OLD LINE LIFE AGENTS

The home office maintains and furnishes a complete detailed record of each agent's business. This EXTRA service eliminates the necessity of agents keeping their own records or hiring clerical help to do it. It gives Old Line Life agents more time for selling!



The OLD LINE LIFE
Insurance Company of America
HOME OFFICE: MILWAUKEE, WIS. Wisconsin Ave., at 11th St.

For Attractive Agency Appointments write Agency Director

LIFE
SICKNESS
ACCIDENT
HOSPITAL

New Conti

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New Policies, Rate Revisions Announced at Continental Assurance Pyramid Club Meets

Several new and highly competitive policy plans, plus rate revisions, were announced at Continental Assurance Pyramid Club meetings. The leading producers' organization met at Washington, with 273 on hand, and at Denver, with 168 attending. Also on hand to discuss specific problems with producers were six senior officers and 20 agency department staff members.

It was pointed out the new plans, details of which will appear in next week's issue, were prompted by "tremendous changes the industry is undergoing in the brokerage field."

A new major medical group plan and a hospital and surgical package for small groups were introduced by Paul H. Rinker, group vice-president. The latter is different from any group cover now available, Mr. Rinker said. Enhancing it from a brokerage standpoint, both proposals and claims are handled locally. Triple benefits are paid for the first 10 days, double the next 10 days and standard benefits the ensuing 50 days. All hospitalization benefits are covered, and accumulated benefits not needed for that purpose can be used for surgery, doctor's cost at the hospital, nurses or therapy. The amount paid is governed by the length of hospital stay. A special sales kit has been created for the plan.

Two new life plans and revised rates on existing plans, effective Oct. 1, were detailed by David G. Scott, vice-president. New policies are a limited payment life, with provision for return of premium, and a decreasing term. Preferred risk policy rates have been reduced and a new substandard premium schedule issued.

Howard C. Reeder, executive vice-president, told the meetings Continental has a 33 1/2% greater margin of safety for policyholders than the average of the top 25 companies. He also reviewed dividend experience, "to prove a good stock company can compete effectively with mutuals." He said: "Comparing results with projections on a \$1,000 ordinary life type policy, the nine giants showed total 20-year dividends of \$1,129; they actually paid \$960—85% of what they estimated. Continental Assurance, on the other hand, projected \$102.52; paid \$101.83—99.3%."

General sessions were followed by sales clinics covering the family group

plan as well as pensions for small groups, sales ideas based on the new revenue bill, term sales opportunities, package selling and non-cancellable A & H.

Featured talks were made by Dr. Clifton L. Reeder, medical director; Dwight G. Johnson, life manager of Herkness-Peyton-Bishop, Philadelphia and Philip C. Belber, Newark general agent.

Texas Commissioners Fire Allred in Test of Receivership Responsibility

Texas board of commissioners has fired Renne Allred, Jr., as attorney for the liquidator of the board. Emmett Shelton has been named as Mr. Allred's successor.

Garland A. Smith, board chairman, said Mr. Allred has failed to cooperate with the board in handling recent insurance company receivership cases. Mr. Allred has been attorney for the board's liquidator for 12 years, and is currently working with J. D. Wheeler in handling the proceedings of Lloyds of North America, Texas Mutual and a number of other companies which have gone bankrupt in the last 18 months. Mr. Wheeler is also giving Mr. Allred notice of his discharge, Mr. Smith said.

There is some confusion in the present Texas law as to whether the commission or the district courts have control over liquidation proceedings and therefore over the attorney for the liquidator. It is expected by Mr. Smith that the firing of Allred will touch off a court fight. The board wants to know where it stands on its responsibility in

receivership cases. Mr. Smith said the board now takes the responsibility for the way receiverships are conducted, although the courts have control over the receiver and his attorney.

The board will authorize no more payment to Mr. Allred, even for receivership cases in which he is already participating. One question to be answered is whether the district courts which have entered receivership orders, will approve payments to Mr. Shelton. It may be necessary for Mr. Shelton to file a mandamus suit to bring the issue to a head.

Renne Allred is a brother of Federal Judge James V. Allred, Jr., of Houston, a former governor of Texas. Renne Allred has declared he will continue to act in receivership cases to which he has already been appointed until relieved by the court.

NAIC Uniform Accounting, Blanks Units Ready Topics for Chicago Meetings

Agendas have been readied for Chicago meetings of two NAIC subcommittees. The life blank instructions unit, meeting Oct. 4-6, will consider extension of present instructions for completion of the life blank.

Topics Oct. 7-8 of the uniform accounting subcommittee will be functionalization of various operating expense classifications and general revision of the instructions for uniform classifications of expenses.

Pilot Life Agents Meet

Pilot Life has been holding four regional general agents' meetings at its home office country club. The group discussed new policies, sales plans for the rest of the year, recruiting, training and sales objectives. Rufus White, vice-president, and R. W. Donaldson, manager of agencies, were in charge of the seminars.

Central Standard Life Forms \$1 Million Indemnity Company

Central Standard Indemnity is the name of a new Illinois casualty insurer organized by Central Standard Life of Chicago. The new company has 50,000 shares of \$10 par value stock, paid in at \$20 per share to provide capital of \$500,000 and surplus of \$500,000. Stockholders of the new company are the same as those of Central Standard Life. There were no organization expenses.

Central Standard Indemnity presently is licensed to write A & H in Illinois and in the future will apply for admission to District of Columbia, Hawaii and the 24 states in which Central Standard Life operates.

President of the new company which will have home offices at 211 West Wacker Drive, Chicago, is Alfred MacArthur, chairman of Central Standard Life. Other officers are H. A. Pierce, vice-president and general counsel; Thomas J. O'Neil, vice-president; Edward S. MacArthur, secretary; Clarence W. McIntosh, treasurer, and P. A. Hyland, assistant secretary. Directors include Messrs. Alfred and Edward MacArthur, McIntosh, Pierce, O'Neil, and E. H. Henning. William V. A. Hansen, W. Murdoch Stewart and John B. Gallagher.

Life Insurance Assn. Files Brief in Home Office Site Appeal

NEW YORK—Life Insurance Assn. of America has filed an amicus curiae brief in the appeal of Guardian Life against the appellate division's upholding of Superintendent Bohlinger's ruling that Guardian may not use a building site it had acquired in White Plains, N. Y., for temporary home office purposes.

The appeal is being made to the New York court of appeals.

LIA is interested because of the restrictive effect on other insurers if Mr. Bohlinger is upheld. The superintendent contended that his decision was not subject to court review.

"Where the evidence shows that management has failed to conform to the statutory criterion—shows no conscientious and reasoned exercise of management's business judgment in that regard—the superintendent may withhold approval," says the LIA brief. "Where, as here, there is no such showing, he may not do so in the exercise of his own independent judgment as to the wisdom of the proposed transaction. If he does so, it is the reviewing court's duty to correct him..."

"We earnestly urge on this court the importance of going further than the appellate division has done in explicitly correcting special term's definition of the superintendent's function and responsibility under this statute, and of thus avoiding the prospect of unforeseeable difficulties in future cases."

The brief also refers to the superintendent's action as "contrary to law... arbitrary and capricious."

The Arthur V. Younoman agency New York, of Mutual Benefit Life held its annual outing at Montclair, N. J. country club. President H. Bruce Palmer and other company officials attended.



AUGUST AVALANCHE SWEEPS OVER THE TOP!

Yes, in the 1954 August Avalanche of Applications, our Branch Office Agency Sales Team racked up 8.9% more business than in the 1953 Avalanche—and the 1953 Avalanche was 48% ahead of the previous year!

Congratulations to the Branch Office Agencies on this fine accomplishment.

INSURANCE IN FORCE,
September 1, 1954.....\$752,592,345



COMMONWEALTH
Life Insurance Company
HOME OFFICE • LOUISVILLE, KY.

\$200 Million Tax Levy May be Treasury Plan

The treasury hopes to get \$200 million in taxes from stock life companies, according to reports from the staff of the joint committee on internal revenue. Different tax formulas have been submitted to the staff, among them one offered by the joint life company taxation committee and another offered by National Life of Vermont. The joint committee staff report will constitute the basis for hearings Dec. 13 before the House ways and means subcommittee, headed by Rep. Curtis of Missouri. Suggestions have been made that the Curtis subcommittee should turn its attention to taxing property insurers, but at present the committee's jurisdiction appears to be limited to life. Some stock life company people believe that mutual companies should be included in a study to close tax loopholes benefiting certain tax-exempt organizations, but this now appears to be a minority view.

Thompson Heads New Military Insurer

Carl Thompson, formerly with United Services Life, is president of the newly formed General Services Life, which was organized in Washington, D. C., by retired military officers to write life coverage on present and former officers of U. S. uniformed services and their families. The coverage will include government civilian employees. Other officers of the company are Merritt B. Curtis, former president of United Services Life, vice-president, secretary and director; Lucien H. Mercier, vice-president, general counsel and director, and Robert F. Cocklin, Ray A. Dunn, Thomas H. King and Don S. Knowlton, directors.

Mr. Thompson, managing director of Military Services Insurance Underwriters in Washington, will also be director of agencies of the new company. It plans to license its agents.

The company has filed with registration for a proposed public offering of 50,000 shares of \$1 par common stock, for sale at \$10 a share. The offering will be made without underwriters.

Spahn Administrator of Metropolitan Field

Glen J. Spahn, 2nd vice-president of Metropolitan, who, for the past seven years, has been in charge of the company's Canadian organization, has transferred to the home office to take over administrative responsibilities related to the company's field operations in the U. S. and Canada. He will be associated with Cecil J. North, vice-president in charge of field operations.

Mr. Spahn has been succeeded in Canada by Brooke Claxton, formerly minister of defense of Canada, who resigned from the Canadian government to accept the post.

Associated with Metropolitan since 1927, Mr. Spahn began his career with a general agency and then became a Metropolitan agent at Rockford, Ill. Later he became assistant manager,

agency supervisor and in 1934 he was made manager of the Madison, Wis., district. He became assistant superintendent of agencies in the Great Lakes territory in 1935 and held a similar post in the southwest territory after 1937. He was named field personnel officer in 1941, 3rd vice-president in 1944 and 2nd vice-president in 1946. He went to Canada in 1947.

Don't Expect Kavanaugh's Successor to Be Named Soon

The successor to Commissioner Luke J. Kavanaugh of Colorado may not be appointed for some time after Mr. Kavanaugh retires Oct. 1. Local newspapers are pointing out that the job has some stiff qualifications, and many of the persons who can meet the requirements are already making more money from private business.

The Colorado merit board requires seven years of experience in the insurance field, a college degree in insurance, public administration, law or a field related to insurance; that the man have no pecuniary interest in any insurance company or agency, directly or indirectly. Beginning pay is \$554 a month. The position is under civil service.

All-Industry Group to Overhaul Michigan Code

LANSING—A two-step recodification and modernization of Michigan's insurance laws will be undertaken over the next two or three years, it was decided recently at a meeting of a special committee called together by Commissioner Navarre.

The committee, made up of 26 members representing every segment of the business, discussed the program sketched by the commissioner and agreed on rough outlines of procedure. It was decided that an all-industry committee, probably a subcommittee of the main group, will be designated to meet with Robert Williams of Williams & Williams, Seattle, who will be retained to go over the present code. He will seek to realign and systematize the various sections into logical and simplified form and this "new code" will be presented for reenactment by the 1956 legislature. No actual change in the law's philosophy or major provisions would be undertaken in this initial phase of the program.

Mr. Navarre said the second step in the project, however, would be to trace down inconsistencies and incongruities in the law. These corrections and any other needed changes would be embodied in a subsequent broad amendatory bill. Some minor corrective action might be undertaken, he indicated, at the 1955 session which convenes in January, but the bulk of it would not be attempted until after the legislation had been adopted putting the code into proper form.

The all-industry committee is to include representatives of stock, mutual and reciprocal insurers, independents, bureau and conference and life companies.

In addition to the commissioner the department was represented by John Wickstrom and L. H. Sanford, deputies, and M. M. Moule and Myron McMillan, assistant attorneys general.

American Health Names Two D. C. Managers

American Health of Baltimore has appointed A. A. Slater regional manager and Harry P. Johnson group sales manager at the new Washington regional office in the Bond building.

The office will serve policyholders in District of Columbia, Maryland and Virginia. Facilities have been established for life and casualty agents.

Mr. Slater has more than 20 years experience in insurance. He was formerly vice-president and agency director of American Home Mutual Life, vice-president in charge of sales of Educators Mutual, and general agent of Union Casualty & Life.

Mr. Johnson was with Penn Mutual Life for several years in supervisory and managerial capacities throughout the country. Recently, he has been branch manager of Manhattan Life.

Davis Joins Franklin Life

Floyd Davis has been appointed southwest Washington manager for the Franklin Life, with headquarters at Olympia and Shelton. Mr. Davis formerly was district manager for West Coast Life.

To Air Minn. Football Games

North American Life & Casualty will be cosponsor of broadcasts of the University of Minnesota football games this fall. The announcer will be Wes Fesler, former coach at Minnesota and before that at Ohio State university.

LIFE WITH PROVIDENT

When Producers Get Together

Friendships across the country from Maine to California, from Florida to Washington, are made and renewed at the regular meetings of Provident Life Producers and home office representatives.

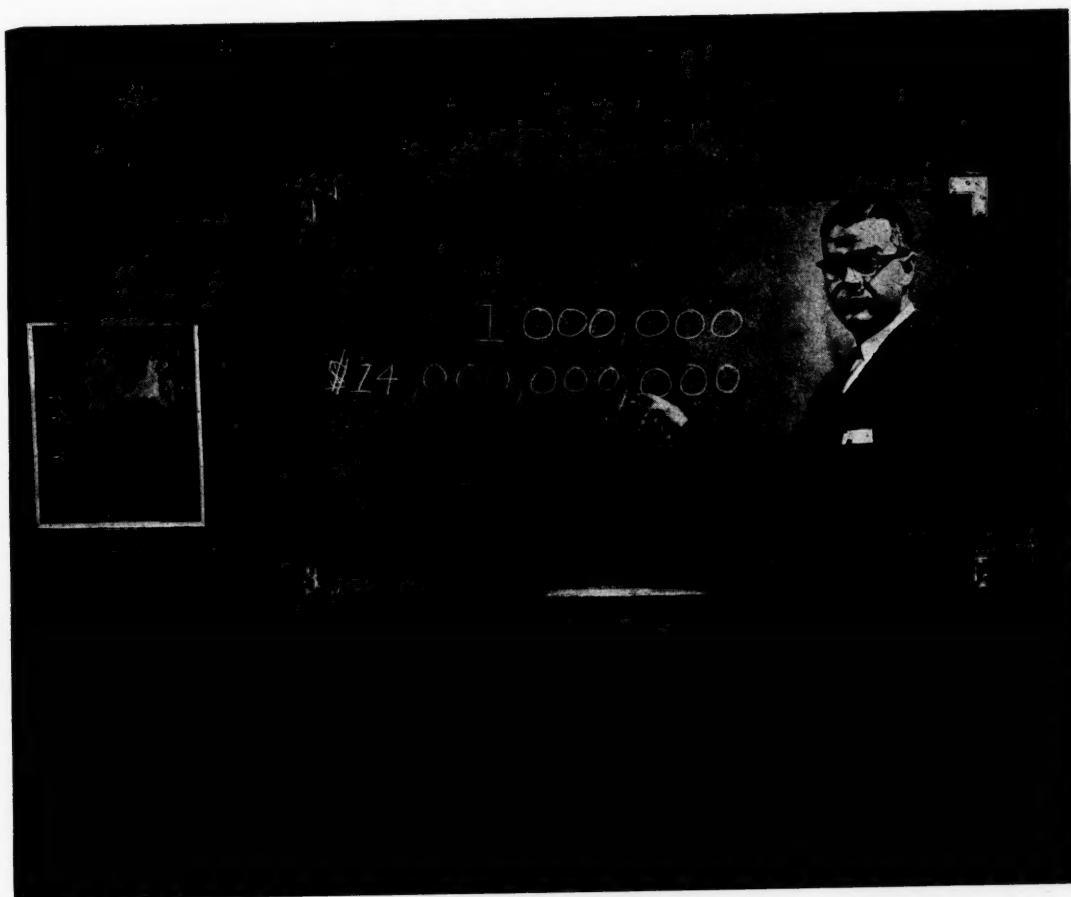
Last month the biggest and best meeting of all was held in Chicago. We are proud of this fine group of men and women who are the Company in their home towns and cities.



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\$14,000,000,000 Life Insurance in Force

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HARTFORD 15, CONNECTICUT

FORD TELLS HOSPITAL MEN

Industry, Labor Are Setting Guide for Health Coverage

Industrial group insurance plans, at their best, are setting a target for the whole population to aim at. They are setting the pattern of today's and tomorrow's demand upon hospitals, doctors and insurers, Benson Ford, vice-

president Ford Motor Co., said at the annual meeting of American Hospital Assn. at Chicago.

"Important decisions affecting all of you in the field of health are being improvised in thousands of firms all over the country," he said. "In my opinion, they are being made without any realistic understanding of what they involve. So far as I have been able to determine, there has been no answering effort by the health industry to measure the coming demand and to help organize our facilities to

meet it. That, to me, spells possible trouble ahead."

Mr. Ford, who feels his company's experience reflects the national problem, added that as industrial processes become more complex industry is more dependent upon highly skilled workers and supervisors—with the absence of just a few men tremendously costly—and in the years ahead a relatively smaller work force will have to meet the expanded needs of the growing population. He pointed out that between 1940 and 1953 the population

grew by 29% in the 17-and-under age group, more than 47% in the 65 and over age group and only 10% in the actual working force of the 18-to-64 group.

"As our productivity and living standards rise," he said, "the tangible and intangible cost to our society of illness and disability will multiply. From the viewpoint of national well-being and security, as well as the more special view of industry, it is going to be more and more important to keep our people healthy and productive."

The attitude of the Ford company is not paternalistic, he said, but it has a real concern for the health environment of its employees, feeling that every American has a definite and primary responsibility to meet his own and his family health needs to the full extent of his ability. "We think it is vital, therefore, to maintain the contributory character of group insurance plans."

He gave as two essentials for a sound health program reasonably equal benefits for all employees in all locations, and predictable limitations as to its cost and extent. "When we set up a program today we should be sure it will not swamp us five or ten years hence."

The present Ford set-up of 135 establishments throughout the country in which employees are enrolled in group insurance plans has meant entering into 40 separate agreements with state or local insurance carriers, most of them Blue Cross, he said. "We try to approximate in each of these plans the kind of coverage our people get in the Michigan Blue Cross plan. Actually there is a tremendous variation in plan to plan, both as to extent and the kind of coverage offered. The Michigan plan, for example, pays for 120 days full hospitalization and covers 97% of the average hospital bill. In another state the best plan available offers only 21 days of hospitalization at \$6 a day."

The reason most often given for this contrast is local shortage of health facilities and personnel, or absence of—perhaps due to the resistance or indifference of local health agencies—of strong prepayment programs, he declared.

Mr. Ford said hospital administrators, along with doctors and insurers, have responsibility for fighting abuses of insurance plans. In Michigan alone, he said, such abuses have been estimated to absorb 18% of the annual bill paid by Blue Cross and Blue Shield.

If it makes sense for industry to spend \$20 or \$30 million to save \$50 or \$100 million, it should make sense in the hospital, Mr. Ford declared, and suggested that the profit motive might be put to work in hospital administration with highly rewarding results.

While industry is concerned with the practical question of medical costs, it is at something at a loss to determine just how far it can soundly and reasonably go in meeting America's health bill, Mr. Ford said. In both contract negotiations and public statements by union leaders, there is a clear pattern of long-range labor goals in health care.

There is a growing tendency to ask for completely comprehensive health coverage for the worker, which means in the ultimate prepaid diagnostic or preventive health care, protection against catastrophic illness, prepaid dental care, treatment of chronic and mental illness, vocational rehabilitation and so on down the whole spectrum of health care.

This involves an attempt to "shift (CONTINUED ON PAGE 19)

We're out
of our
"security
rut"

says Mrs. Clyde Greco
Greensburg, Pennsylvania

"When we were married, Clyde was a driver on a furniture truck. His job was secure, but Clyde was sure that, as a truckdriver, he would never be able to provide for our security and that of our children in the way he would like. In our case, 'security' meant lack of opportunity. Yet the very safety of Clyde's job made us hesitate to change to life insurance sales as a full-time occupation.

"At that time we had three small children and were expecting a fourth. We knew we had to make up our minds. The announcement of what Clyde planned to do came suddenly. One day he returned home from work with a grin on his face.

"Well, Helen," he said, 'some day I'll tell the kids how I used to drive a furniture truck!'

"Since then our future has grown brighter and brighter.

"What's Clyde doing today? Selling life insurance for Minnesota Mutual. He goes to college, too, as he's always wanted to. Once he's finished his education, he'll be able to do even a finer job as a life insurance man.

"The benefits we're enjoying through Clyde's association with Minnesota Mutual have changed our lives in many ways. Clyde's increased income has helped to pay the expenses of a family of six. In addition, we've started funds for the education of the children. We have protection through the company's group insurance plan, as well as the start of a nest-egg for our retirement.

"Our association with Minnesota Mutual has been most pleasant, with Clyde satisfied that his efforts have really been rewarded. We've had good times, been able to buy good things, and have met many nice members of the Minnesota Mutual 'family.'

"Yes, we're proud of the momentous decision Clyde made in 1953. And we're pleased with the way Minnesota Mutual is making our dreams come true."

Clyde C. Greco joined Minnesota Mutual on a part-time contract in 1952, became a full-time agent in 1953. He wrote \$830,880 in life insurance sales last year and qualified among the "President's Dozen" of 1953 leading salesmen. He is currently a member of the company's "App-A-Week" club for selling one or more policies each week, and of the "50 Club" for producing over \$50,000 in new business per month. Mr. Greco's brief but brilliant sales record points to the making of another "Success Story"—his own.

THE MINNESOTA MUTUAL
LIFE INSURANCE COMPANY

ORGANIZED 1880 • ST. PAUL 1, MINNESOTA



This letter, written by the wife of a Minnesota Mutual salesman, is published here as a deserved recognition of the enduring contribution she and her husband are making toward the continuing growth and progress of this company.

CLAIMS ASSN. HEARS NEW YORK LAWYER ON SUICIDE DEFENSE

Summary Judgments Can Speed Settlements Under N. Y. Law, if Proof Cannot be Impugned

It is often possible to avoid a long drawn out trial in a claims case by moving for a summary judgment, which dismisses a case upon the merits upon affidavits and exhibits alone, in any type of action where the defense is predicated upon official record or documentary proof, the verity of which cannot be impugned. This procedure is available in New York to both plaintiffs and defendants, Edward T. Welch, New York City lawyer, said in his talk on suicide as a defense to life insurance, double indemnity and accident coverage, before the International Claims Assn. at Portsmouth, N. H.

Such judgments are frequently available in double indemnity or accident insurance, he said. But there must be no triable issue of fact present; if there is, the case must await trial.

Also, there are many procedural advantages which are available to a party litigant where the litigation is pending in the federal court. The procedures by way of discovery and inspection which are available under the federal rules of civil procedure have been a source of great value in defending cases which might otherwise have been hopeless from the standpoint of the insurer.

Going into the intricacies of cases in which the decision of either the jury or the judge, in a summary judgment, is based on whether or not the deceased was sane or insane at the time of a suicide, Mr. Welch cited two specific cases, Strasberg vs Equitable Society and Luban vs Equitable Society.

New York permits a life company to state in a policy that it will not be liable on the contract if insured commits suicide within two years from the date of issue. It has been established by many cases that suicide by itself does not establish that the person committing self-destruction was insane. The fact that insured was not capable of appreciating the moral quality of his act would not, of itself, render the self destruction involuntary, Mr. Welch said. The law says he must be under the influence of some insane impulse which he could not resist.

In the Strasberg case, the beneficiary contended that even though it appeared insured did take his own life, the company was liable because insured was "so far insane as to have been without appreciation of the physical consequences of his action or without power to resist the disordered impulse that impelled him to end his own life."

The case was tried before a jury and it appeared that the deceased had become involved in serious business difficulties, had resigned from his brokerage firm and various directorships and trusteeships, his activities were being investigated by the department of justice, and he was evading service of process from the state attorney general. He drew his will, told his attorney he was contemplating suicide and within two weeks he registered at a hotel under an assumed name, wrote three notes and was after found unconscious from an overdose of sleeping

tablets, which subsequently caused his death.

The jury could not agree on a verdict and the company, which had previously moved for a directed verdict, asked the trial judge to direct judgment in favor of the company notwithstanding the jury's failure to agree, a procedure which is legal in New York.

The trial judge denied the motion and set the case down for retrial. The company appealed the judge's refusal of a directed verdict and won the appeal.

The appellate court found that there was no legal evidence of insanity, that there was nothing for the jury to pass upon and granted final judgment to the company.

The second case, Luban vs Equitable, was an action of a \$15,000 life policy. Less than six months after the policy was issued, insured was found dead in

his automobile of asphyxia from carbon monoxide poisoning. The company disclaimed liability on the ground of suicide within the two year period and also because of alleged material misrepresentation. During the trial, the company moved to dismiss the complaint and later for a directed verdict, but the trial court reserved decision and the case was submitted to the jury, which failed to agree. Instead of ordering a retrial, the trial judge granted final judgment in favor of the company on the ground that there was no legal

(CONTINUED ON PAGE 18)

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Home Life Dividend Scale Increased, Cost of Some Policies Cut

A substantially increased dividend scale and reduced premiums on some policies were announced by Home Life to 165 attending the 3-day meeting of Qualified Field Underwriters at White Sulphur Springs, W. Va.

President William P. Worthington described the rise in dividend scale as one of the biggest dividend increases in company history.

In presenting the very favorable net cost position of the company and the outlook for the future, he stressed that everyone in a mutual life company has a stake in its sound operation. He congratulated the home office and field organization for the cooperation which has held the line against rising costs and pointed out that this cooperation played an important part in the company's favorable dividend outlook.

Theodore A. Stemmermann, vice-

president and actuary, said the revision will result in a 20% increase in dividend apportionment for 1955 over the existing scale. The total dividend allocation for ordinary, including the amount to be paid on the larger volume of insurance in force, will be about 30% greater than that for 1954.

Premium rate reductions, he said, apply to family income, accidental death and disability waiver of premium. While reductions in accidental death benefit rates are modest, the decreases in family income range from 11% to 30% and in disability waiver of premium on preferred policies from 21% to 42%.

John H. Evans, vice-president and manager of agencies, was chairman of the conference which had the theme "Hitting 300", an indication of top performance in baseball and sales. He pointed out that the agent who builds and maintains a clientele of 300 sound clients through planned estates service is assured a career which is more interesting, more satisfying and more lucrative.

On the program were a number of how-to-do-it sessions. Participating in

(CONTINUED ON PAGE 20)

Unnecessary Hospital Use Hit as Biggest Cost Increase Factor

Perhaps the largest factor in increasing the total cost of hospital care to the public is the growing tendency to use inpatient care for more and more patients for less and less necessity, said Dr. Harry F. Becker of Michigan Hospital Service at the annual meeting of American Hospital Assn. in Chicago last week. In proof, he gave some of the results of a recent study by Michigan State Medical Society and Michigan Blue Cross.

"Nearly one out of five days used by Blue Cross patients was not a necessary day," he declared. In all Blue Cross plan hospital admissions per 1,000 members increased 9% in the five-year period studied ending with 1953. Days of care per 1,000 members increased more than 6%. He pointed out this marked increase in use of hospital beds cannot be accounted for entirely by excessive illness nor by normal population increases.

He stressed that when all or any part of the money spent for additional use

of hospital facilities is not being used to produce additional service for the occupant of the hospital bed it then represents an economic loss to the individual, who in the last analysis must pay the hospital bill, and to the general public, who in the last analysis must provide the hospital beds.

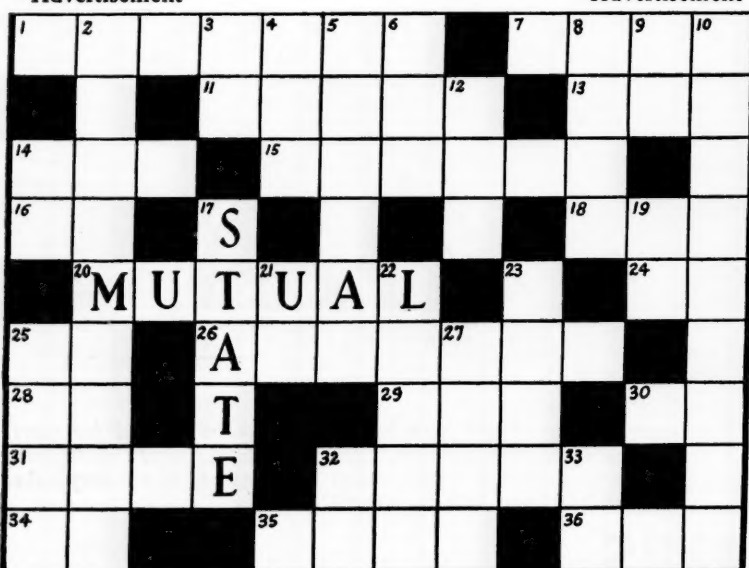
The Blue Cross study consisted of an analysis of more than 12,000 consecutive clinical records and 25 typical Michigan general hospitals, and it was conducted by experienced, qualified doctors appointed by the state medical society.

He opined that what the study tends to prove in Michigan also holds true with minor variation elsewhere, that more than 28% of all hospital admissions contain some element of faulty use. "As one would expect, these 'faulty admissions' were of course more frequent among 'insured' patients. Blue Cross members misuse their hospital stays in nearly 36% of cases. Commercially insured patients misuse them nearly 30% of the time, but patients paying their own bills showed faulty use in less than 14% of admissions. In terms of hospital days, 11,172 of 76,238 days studied were considered to be unnecessary to recovery, safety or to the reasonable comfort of the patient."

The speaker emphasized that simply

(CONTINUED ON PAGE 16)

Advertisement



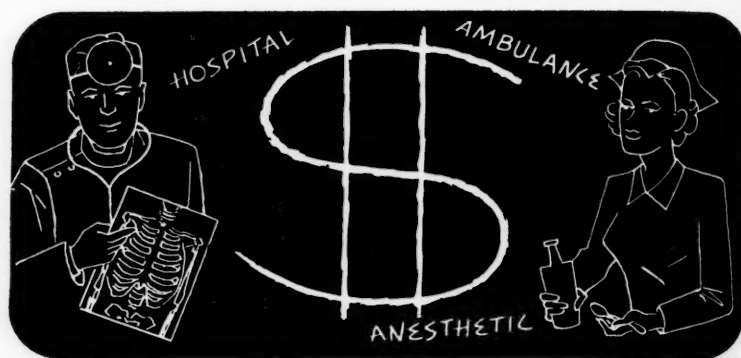
ACROSS

1. One of our California agency cities
7. Our agents are in the _____
11. We entered this field in 1945
13. Self
14. Finished
15. Stand
16. Negative
18. Medical director
20. Policyholder owned
24. Note of scale
25. Management training center just established in this state
26. Type of contract
28. Near
29. King (Fr.)
30. Type of retirement plan (abbr.)
31. Type of company we are
32. Insurance buyers have common
34. Master of ceremonies (abbr.)
35. Home state (abbr.)
36. Preposition

DOWN

2. Loan feature
3. Football position (abbr.)
4. Verb
5. Our sickness and accident is _____
6. Failure
8. There has to be a _____ before there's a sale
9. King of Bashan
10. Home city
12. Fighter
14. Article
17. We are licensed in every _____
19. Preposition
21. Peace organization
22. Tempts
23. Manufacturers of lifting devices
25. Hide
27. Atoms
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5046-D

EDITORIAL COMMENT

A&H Renaissance May Be Around Corner

There are indications the coming few months some day may be characterized as the A&H renaissance. At the least, there is promise the period will be one of vigorous activity within the fastest growing branch of the insurance business. And there is equal promise many changes will come about.

Beset with complaints from various quarters, and finding themselves enmeshed in the federal governmental scene, insurers comprising the A&H industry resolutely are stepping forward toward answering unfounded charges, stamping out practices that lead to dissatisfied policyholders and approaching problems in a united fashion.

An industry rule book is in the making. Adoption by member companies of both H & A Underwriters Conference and Bureau of A & H Underwriters of stringent ethical and advertising standards constitutes a watchword for all insurers writing A&H. The effect these guides will have lies not in the operational changes that will be made by the many companies, but on the small minority in need of moral suasion.

That more innovations will be instituted as a result of studies now being made by the Joint Committee on Health Insurance is apparent from the description by its chairman, E. J. Faulkner, president of Woodmen Accident & Life, of the topics now being considered by three subcommittees. Organized last April, the joint committee is comprised of representatives of various trade associations interested in A&H. As Mr. Faulkner said at the bureau annual meeting last week, through the committee every aspect of A&H is being surveyed, inspected and tested to discover and overcome whatever weaknesses may exist. For the first time, he stressed, every element of the business is represented at a common conference table, intent on the solution of common problems. Because some of the most knowing men in A&H are seated at that table, workable and uniformly acceptable solutions are almost a certainty.

The areas on which the joint committee is focusing its attention have not been fully revealed. Nevertheless, that its approach is comprehensive is obvious from the outline given of the activities of the three subcommittees. One is preparing a blueprint of how

the structure of trade associations may be made more effective. The result could be formation of a group similar in purpose to the Institute of Life Insurance. It would be an instrumentality to tell the story of the business to the people, acting as a single authoritative A&H spokesman.

Already having met with various state insurance departments, NAIC and some agencies of the federal government, the second subcommittee is considering both internal and external regulation of the business. Gaps are to be closed and adherence to ethical standards is a principal objective.

Taking the long range outlook, the third group's study revolves around improving service to the public, and hospitals and the medical profession, as well as bettering the A&H product itself and the methods of distribution.

There are many other omens that progress is being made toward an A&H industry united on the fronts that will enable it to gain the public's favor. Among these are the activities of Health Insurance Council, and the recent appointment of Robert R. Neal as joint resident counsel at Washington for Bureau of A & H Underwriters and H & A Underwriters Conference. The latter is concrete evidence of the development of a strong cooperative program between the two principal A & H associations. Mr. Neal is one of the staunchest advocates of integration of A&H association activities. A former conference president, he long has been prominent for his A&H activities, both inside and outside the business. He has headed the A&H section of American Bar Assn. and is looked upon widely as an A&H authority. His reputation, and the fruits of his labor, will stand the entire A&H industry in good stead in Washington.

Prudential P.R. Men to Play Big Role in Minn. Forum

Members of the Prudential public relations staff will play a prominent role in a forum on that subject Oct. 1 at the University of Minnesota in Minneapolis. The forum is being sponsored by Minnesota Public Relations Society and the university's school of journalism.

Participating from the Newark home office will be F. H. Groel, vice-president and secretary; Henry M. Kennedy, director of advertising; George M. Johnson, director of public information, and Thomas O. Morris, director of public relations. On hand from

the north central home office will be Orville E. Beal, vice-president in charge; Harold E. Dow, 2nd vice-president; Henry E. Arnsdorf, director of public relations; R. H. Bittner, personnel director; Donald Conway, public relations and advertising department, and Howard A. Austin, Jr., executive director of agencies.

PERSONALS

Mary Coates, daughter of the late Don Coates, who was publisher of the *Insurance Graphic* of Dallas, and Richard Daskals, a member of the actuarial department of West Coast Life, and an associate of the Society of Actuaries, were married in the Alameda, Cal., home of the bride's mother. Miss Coates, who had been with West Coast Life as director of sales promotion since January, resigned last week to make her home in San Francisco. Mr. Daskals formerly was with Occidental Life of California for four years.

Raymond C. Johnson, vice-president of New York Life, has been named vice-chairman of the business and professional committee of the United Hospital Fund's 75th anniversary campaign. Mr. Johnson will head the professional, financial, building and real estate group, directing the work of 350 volunteer fund solicitors and coordinating the activities of 20 division chairmen. A goal of \$110,500 has been set for his workers. Mr. Johnson was chairman of the insurance division in the fund's campaign last year.

Theo. P. Beasley, president of Republic National Life, installed officers at the charter night banquet of the new Young Men's Christian Assn. at Tyler, Tex. Mr. Beasley will attend the meeting of the International Committee of the National Councils of Y.M.C.A.'s in the United States and Canada at Columbus, O., Sept. 25-26. The committee considers the world service program of the association. He now is president and a director of the National Council, the southwestern area world service committee and one of 15 U. S. members of the World Committee of Y.M.C.A.'s.

Lon O. Hocker, Jr., vice-president and general counsel of Missouri Ins. Co., has been elected to the board of Missouri Bar Assn. He also is on the board of the insurance section of American Bar Assn.

Edward D. Mitchell, chairman of Beneficial Standard Life, was honored at a luncheon by executive officers and employees of the company in celebration of his 65th birthday.

Claude E. Hartley, regional group manager in Los Angeles for Occidental Life of California, is recovering from a swimming accident in which he suffered a broken neck and chest injuries.

DEATHS

JOHN L. MUELLER, 70, a veteran Lincoln National Life agent at Fort Wayne, Ind., died after a long illness. He started with the company as an agent in 1918 and was named head of the home office agency at Fort Wayne in 1924. He resigned in 1930 to become general agent there for Pacific Mutual, returning to the company five years later as a personal producer. He suffered a severe stroke early in 1953 and after that had been confined to his home.

GEORGE P. VELIA, 83, assistant superintendent of Prudential at North Tonawanda, N. Y. for 35 years before his retirement, died after a long illness.

WILLIAM J. McDEVITT, manager of the Norristown, Pa., district office of John Hancock, died. He joined the company as agent at Chester, Pa., in 1921, and subsequently became assistant district manager there, manager at Johnstown and, in 1931, manager at Norristown.

LEWIS B. LEFLAR, general agent for Bankers Life of Nebraska at Kansas City, died at his home there of a heart attack.

WARNER C. WILSON, 61, general agent for Mutual Trust Life at Cincinnati since 1949 and a past president of Cincinnati Life Underwriters Assn., died there suddenly after a heart attack. He had complained of feeling ill after returning from a company convention in Wisconsin, went to the hospital for a check-up, and was immediately hospitalized.



Warner C. Wilson

He entered the business more than 35 years ago and was with Guardian Life as associate manager for many years before assuming his last position. He was a C.L.U. He represented Home Life for several years and briefly served that company as general agent at Atlanta.

Mr. Wilson was regarded as one of the best informed men in the city on certain aspects of the business and was tireless in promoting what he believed were its best interests. He was an authority on business insurance agreements. He was active in getting social security coverage for veterans during their military service and devoted much time and effort in obtaining greater flexibility in settlement options.

GEORGE W. HAWKES, 83, who retired in 1935 as personnel director of Prudential, died at his home in Newark.

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NEW YORK 38, N. Y.—99 John Street, Room 1103, Tel. Beekman 3-3958. Ralph E. Richman, Vice-Pres.; J. T. Curtin, Resident Manager.

HOWARD J. BURRIDGE, President.
LOUIS H. MARTIN, Vice-President.
JOSEPH H. HEAD, Secretary.
JOHN Z. HERSCHEDE, Treasurer.
420 E. Fourth St., Cincinnati 2, Ohio.



OMAHA 2, NEBR.—610 Keeline Bldg., Tel. Atlantic 3416. Clarence W. Hammel, Resident Manager.

PHILADELPHIA 9, PA.—123 S. Broad Street, Room 1127. Tel. Pennypacker 5-3706. E. H. Fredrikson, Resident Manager.

PITTSBURGH 22, PA.—503 Columbia Bldg., Tel. Court 1-2494. Bernard J. Gold, Resident Manager.

SAN FRANCISCO 4, CAL.—Flatiron Bldg., 644 Market St., Tel. Exbrook 2-3064. F. W. Bland, Pacific Coast Manager.

Continental Companies Stock Split Approved

Shareholders of Continental Assurance and Continental Casualty at a special meeting approved the proposal for splitting the shares of each company on a two for one basis. The split, to be effective Sept. 28, increases the number of shares of Continental Assurance from 650,000, each of \$10 par value, to 1,300,000, each of \$5 par value. Continental Casualty's shares will number 2,000,000 as against 1,000,000, the par value going down from \$10 to \$5. Early this week the casualty company stock asked price was \$193. Continental Assurance stock last week sold at \$184.

This clears the way for an extra dividend of 20 cents per share, to be paid Dec. 2 to Continental Assurance stock of record Nov. 18. There also will be distributed to Continental Casualty shareholders Oct. 15 a special dividend of 20,000 new shares of Continental Assurance at a rate of one share of the latter for each 100 shares of the former, held of record Oct. 7.

Protective Life Stages Meets for Top Agents

Protective Life held sales meetings at Biloxi, Miss., and Jacksonville, Fla., for 80 of its leading agents. Herbert J. Baum, the leading personal producer, was installed as president of the Protective Club at the Biloxi gathering.

Home office officials attending the meetings were William J. Rushton, president; Alex C. Wellman, vice-president; Charles B. Barksdale, agency vice-president; Robert A. Alford, assistant superintendent of agencies; James L. Thompson, agency supervisor, and Robert W. DePau, agency supervisor.

N. Y. Life Promotes Thompson, Hutchison

John S. Thompson, Jr., assistant actuary, has been made an associate actuary and William N. Hutchison an executive assistant by New York Life.

Ernest K. Henderson, Jr. becomes chairman and C. Warren Moore vice-chairman of the committee on death benefits, Joseph J. Helbig, an administrative assistant, Joseph A. Kane, assistant to the superintendent of policy changes division and V. Paul Rickert, field sales supervisor in the group department.

Mr. Thompson joined New York Life in 1950. He had been with Metropolitan since 1937 except for wartime service. Mr. Hutchison, who has been chairman of the death benefits committee since 1953, joined the company in 1920 and was assigned to the death benefits division in 1934. In 1935 he was made a member of the committee and in 1945, became vice-chairman. He will serve in the office of R. David Clair, 2nd vice-president.

Mr. Henderson joined the company's inspection department in 1923 after several years with National Surety. He was made a member of the committee on death benefits in 1942 and vice-chairman in 1953. Mr. Moore, formerly assistant manager of claims, accident and sickness department, joined the company in 1922 and has served in various departments.

Mr. Helbig, who is assigned to the office of Edward B. Williams, 2nd vice-president, joined the company in 1927. He has served as a supervisor in various units, recently as assistant to the superintendent of the selection and

rating department. Mr. Kane, who has been a division head of the policy changes division, joined the company in 1935. Mr. Rickert has been district group supervisor in San Francisco where he joined the company in 1952.

New England Mutual Names Reid

New England Mutual has appointed David D. Reid as a group representative at Chicago. He has been in the home office group sales division since May, 1953. He was with General Electric in Schenectady for a year before entering the group field.

Women Need 17% More Pension than Men

Retiring a 65-year-old woman worker on a \$100-a-month pension costs 17% more than it does to retire a 65-year-old male worker on the same life income, the family economics bureau of Northwestern National Life reports.

The average woman of 65 has more than three years longer to live and than three years longer to live than the average man of the same age, according to insurance statisticians. The av-

erage man who reaches 65 can expect to live 15 years and seven months more, or until he is 80½. A woman retiring at 65 can expect to live until 84.

A man's pension fund must contain approximately \$15,150 when he reaches age 65 to guarantee him \$100 a month for the rest of his life. For a woman, it must contain approximately \$17,700.

The \$100 a month can be paid for 40 months longer out of a fund only \$2,550 larger by compound interest working from the larger pension fund for 19 years.

4 reasons why you should become a C.L.U.

- 1 The C.L.U.'s income actually *increases* while he is preparing for exams!
- 2 The typical C.L.U. earns a higher income after attaining his designation!
- 3 He enjoys higher prestige among his associates and clients!
- 4 He benefits from valuable associations with other successful life insurance people at the local C.L.U. chapter meetings . . . and from the informative material he regularly receives from the American College of Life Underwriters.

MUTUAL OF NEW YORK

"FIRST IN AMERICA"

THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK

BROADWAY AT 55TH STREET, NEW YORK 19, N. Y.



WEATHER STAR FORECAST
ATOP OUR HOME OFFICE
Green Fair
Orange Cloudy
Orange flashing Rain
White flashing Snow

**ANNOUNCING
the new
INSTITUTE OF LIFE INSURANCE
ADVERTISING CAMPAIGN
for 1954-55**

In CHANGE

In change there is opportunity



Today there are 13 million people aged 65 or over—10 million more than in 1900!

Your chances of retiring have never been brighter!

There's a good chance that you will be able to retire without being dependent on anybody! Here are three reasons:

1. Millions of families now have bigger paychecks. This is giving them the opportunity to build an adequate retirement program.
2. Today more than three times as many employees as in 1940 are participating in company retirement plans.
3. Millions of Americans can now build on their Social Security to help provide them with the retirement income they will need.

And there's been a big change, too, in people's attitudes toward retirement. They are giving up the idea of retiring from their present way of life. Instead, they are planning to retire to a new way of life.

To provide for their future, more and more people are using life insurance and annuities. This is a significant trend. It is one reason why more than half of all life insurance benefits are now paid to the policyholders themselves!

In your parents' day, most people thought of life

insurance only as a way to guarantee a financial backlog for the family if the father died... or as a sure means of building a cash reserve.

These are still its principal uses. But today's families are also turning to other important uses of life insurance. For instance—to cover the mortgage or to help pay for the children's education.

Life insurance is now owned by more than 90 million men, women and children. Life insurance is America's most popular form of thrift.

Institute of Life Insurance

Central Source of Information about Life Insurance
488 MADISON AVENUE, NEW YORK 22, N. Y.

STARTING THE WEEK OF OCTOBER 5th, each message will appear in about 500 daily newspapers and in six major farm publications, reaching an audience of more than 50 million people.

There is OPPORTUNITY

. . . showing how families are using
life insurance to grasp the opportunities
created by the great changes
taking place in America

In 1954-55, the advertising campaign of the Institute of Life Insurance will not only deal with the news of change but the *consequences* of change.

This new series will point out that in change there is *opportunity*. And it will show how millions of people are using life insurance to help them take advantage of these opportunities.

These messages, complimenting policyholders on their foresight, good management and thrift, will also reflect credit on the life insurance business.

In addition, each message will create a better understanding of life insurance and help build a friendly attitude towards the business, thus aiding the agent in his work.

1

THE THEME: "In change there is *opportunity*"

This "theme idea" will appear at the top of each advertisement.

2

THE ART TREATMENT: Note the *symbolic* use of pipe, pruning shears and garden fence to illustrate retirement. Note also the use of *hands*—one of the most expressive and personal forms of all art treatments.

3

THE HEADLINE: Dealing with the news and consequences of a dramatic change in America.

4

THE TEXT: Pointing out how the change is bringing new *opportunities*.

5

THE ROLE OF LIFE INSURANCE: Showing how policyholders are using life insurance to take advantage of opportunities.

Institute of Life Insurance

Central Source of Information about Life Insurance

488 MADISON AVENUE, NEW YORK 22, N. Y.

Life of Va. Offers 4 New Plans, Revises Rate Book

Life of Virginia has announced four new policies and publication of a new rate book.

The new junior estate builder is issued at ages 0 to 14. It contains one to five units, each \$1,000 unit automatically quintupling in amount at age 21. Premiums in this whole life plan are payable to age 65.

The new executive special plan is issued at ages 15 to 65 for \$10,000 minimum amount. Premiums are reduced after the first year and are payable for life. The first year premium is on an annual basis only.

The new mortgage protection policy is issued up to 30 year term for \$5,000 minimum.

The new retirement annuity is issued at ages 15 to 65 for a minimum amount of \$10 per month.

Changes in the new rate book include five year term issued up to age 65; family income issued for terms up to 30 years and to provide both \$10 and \$20 per month per \$1,000 basic amount; mortgage redemption riders issued for terms up to 30 years in amounts from \$1,000 up to four times the amount of basic insurance; family income and

mortgage redemption riders may be converted during premium period and prior to age 65 in an amount equal to the commuted value as of the anniversary following request.

Also, juvenile insurance issued at age 0; full death benefit after attained age of six months on annual premium plans; no reduction in death benefit at any age on single premium plans; settlement options liberalized as to availability, and mortality basis for life income options modernized.

Eleven plans for which there have been small demand have been discontinued in the new rate book.

Union Pays Group Premiums

Group life and A & H premiums of striking employes of Kohler Co. at Kohler, Wis., will be paid by their union, according to a union announcement. Kohler Co., which has paid all premiums since the strike started more than five months ago, said it was not continuing coverage for striking employes since those who desire to work are now able to do so.

Automatic elevators are being installed in the 12-story, home office building of Provident Life & Accident. Six months will be required to make the change in the three elevators.

American Health Opens Washington Office

Plans to promote four legislative measures in 1955 affecting A & H insurance were made by North Carolina's public committee on A&H after a meeting in Charlotte.

Rep. Blue, chairman of the committee, said one measure, identical with the bill which passed the house last year and died in the senate, would be introduced in January. This bill requires a company to give a period of notice before cancelling a policy because of the condition of the policyholder's health. Reps. Blue and Goodman sponsored the proposal last year.

Other measures the committee decided to support in the coming legislative session would set up a requirement that a person must reside in North Carolina at least 12 months before obtaining a license to sell A&H, would require agents to post bonds, and put certain restrictions on newspaper and direct mail advertising of A&H. One requirement would be that policy exceptions be stated in type as large as that used to list other policy provisions.

The committee approved one recommendation submitted recently by an industry committee on A&H. This was a suggestion that after a policy has been in effect for three years, no company may cancel until benefits paid out at least equal premiums paid in.

Blue said the provisions of the new bill would be virtually the same as those that filed last year. This means it will contain provisions for a notification period of at least 30 days for a policy which had been in effect two years, three months for one effective three years, six months for a four year policy, and a year for policies of five or more.

New Travelers Office

Travelers has opened a new branch at 80 North Franklin street, Hempstead, N. Y., with William Roberts as manager. The office replaces one previously located in Jamaica. Mr. Roberts has been with Travelers since 1926 at Jamaica and at Brooklyn, where he served until his promotion to manager at Jamaica in 1938.



W. Roberts

Conn. Mutual Tax Forums

Connecticut Mutual Life is holding a series of 11 advanced underwriting forums to acquaint its representatives throughout the country with the new internal revenue code. The first meeting is at Boston Sept. 24-25. Other forums are scheduled at New York City, Columbus, Chicago, Omaha, Baltimore, Atlanta, Dallas, Los Angeles, San Francisco and Portland, Ore.

Discussion leaders for the two-day sessions are E. A. Starr, superintendent of agencies, and Paul A. Hoeffler, assistant counsel.

Huber Agency Promotes Wagner

Frank J. Wagner has been appointed brokerage supervisor of the Solomon Huber agency in New York of Mutual Benefit Life. A member of the agency for 2½ years, Mr. Wagner has been an estate analyst and agent.

State Mutual Trip to Look Over Investments

The finance committee of State Mutual Life is on a 3-week tour of the western part of the country to inspect present investments and appraise future loan possibilities. President H. Ladd Plumley is speaking at dinner meetings of bankers and industrialists in Chicago, Denver, Seattle, Portland, San Francisco and Los Angeles.

Accompanying Mr. Plumley are Carl R. Brownell, F. Harold Daniels, Philip M. Morgan and C. Claflin Young, directors, and Martin C. Brooks and James T. Wilcox, company mortgage loan officers.

New President for Tex. Insurer

M. A. Nicholson has been elected president and chairman of North American Life of San Angelo, Tex. He succeeds B. F. Bedord, organizer of the company, who has resigned on the advice of his physician.

Major General Melvin J. Mass, USMC, Ret., has been elected a director of United Services Life. He was in insurance in the 1920s when he held sales and managerial positions in Omaha.

If You Are Good Why Play "Second Fiddle?"

If you are a good producer, we have an unusual DIRECT CONTRACT which automatically puts you in "first chair" with a "virtuoso's share" of the premiums.

We have an exceptionally fine portfolio of standard and special Life policies, plus accident, sickness, surgical benefit and hospitalization coverages

DIRECT AGENCY openings in: Maryland, Ohio, Indiana, Iowa, Kentucky, Missouri, Mississippi and Arkansas.

WRITE TO: J. DeWitt Miller, Supt. of Agents

Mutual Savings Life

5701 Waterman St. Louis 12, Mo.

ASSISTANT AGENCY SUPERINTENDENT

This position requires a man with a proven record to handle agents and branch managers for a fast growing company. Salary \$8,000 to \$12,000. Send your qualifications confidentially to:

FERGASON PERSONNEL

330 S. Wells St., Chicago 6, Illinois
HARRISON 7-9040

From the Desk of
A. LUCKY AGENT

PBP → **PROGRESSIVE BENEFIT PLAN**

(new juvenile plan!)

\$1,000 ^{increasing} to \$5,000 @ Age 21

Options @
Age 65

- Monthly life income *
- Installment Refund Annuity *
- Paid-up policy plus cash (\$768)

* participating

- Full coverage at 15 days
- Return of prem. if death before Ann. date nearest insured's 21st B'day!
- Automatic W.P. dis. @ insured's 21st B'day
- Can be issued with wav. of premium

HIGH CASH VALUES

Call Joe today - this for his boy!

BANKERS LIFE INSURANCE CO. OF NEBRASKA

Father-Daughter CLU Team Honored at NALU Meeting

What is probably the only father-daughter combination of its kind was honored this week at the National Assn. of Life Underwriters meeting in Boston.

In the spotlight were Miss Jean Essex and her father, Freeman Essex. Miss Essex received her CLU designation.



Jean Essex



Freeman Essex

While her father was honored at the conferrer dinner as a 25-year member. This is believed to be the only father-daughter CLU combination, according to Davis W. Gregg, dean of the American College.

Both father and daughter are with the Larry J. Evans Agency of Northwestern Mutual Life at Portland, Ore. Miss Essex in the last production year finished third among women agents of Northwestern Mutual in new sales. She has been with the company since 1950. Her father has been a consistent leader in sales since he joined the company in 1928.

Municipal Merger Gets OK

The Illinois department has approved the merger of Municipal of Chicago, an assessment legal reserve insurer organized in 1937, with a stock company licensed in Illinois last April under the same name.

The new company is assuming all assets and liabilities of the old. The latter at the end of 1953 had assets of \$425,543 and had life and A&H premium income that year of about \$735,000. Sale of stock of the new company was completed last April, resulting in capital of \$200,000 and paid-in surplus of \$310,000. Combined, assets of the

companies at March 31, 1954, were \$942,517, of which \$619,633 represented reserves and \$322,883 capital and unassigned surplus.

The same management continues, headed by President James W. Errant, a founder of the old Municipal.

N. Y. Life Shifts Arndt to S. F.

New York Life has appointed Michael P. Arndt as security analyst for its newly-opened Pacific region investment office in San Francisco. He was previously in the investment department at the home office.

Atlantic Life Names Pace Assistant Vice-President

Atlantic Life has appointed Warren M. Pace, agency director of Guardian Life since 1953, assistant vice-president. He joined Guardian in 1946, became agency assistant at New York in 1949 and assistant agency director in 1948.

Salsberry in New Post

Charles W. Salsberry has been appointed manager of the Oklahoma City

agency of Guardian Life. He has been in insurance since 1945 as an agent in Oklahoma City. He received his CLU designation in 1953 and is currently president of Oklahoma City Assn. of Life Underwriters. Before the war, he spent 16 years on the editorial staff of two Oklahoman dailies.

Baltimore Life Names Brennan

Baltimore Life has appointed Carlton J. Brennan home office supervisor. He started with the company as an agent at Allentown, Pa., in 1950.

"I'm convinced young people get more out of life insurance than anybody else"



The NORTHWESTERN MUTUAL Life Insurance Company



"It pays to consider the life insurance agent this way..."

The NORTHWESTERN MUTUAL Life Insurance Company

"Why should it be called life insurance?"



The NORTHWESTERN MUTUAL Life Insurance Company

How do you judge good life insurance advertising?

By facts like this? Northwestern Mutual agents have used millions of reprints of their company's advertising in direct mail contacts and during personal calls, since the current series began six years ago.

By facts like this? A survey among agents of all companies showed the Northwestern Mutual campaign to be the most admired, the most helpful for "doing the job."

By facts like this? Northwestern Mutual's ads win wide recognition and respect from the public. Many times these ads have brought direct inquiries and sales from magazine readers.

By facts like this? The prominent men featured in the Northwestern Mutual advertisements are increasingly proud to be part of this series. The Northwestern Mutual Life Insurance Company, Milwaukee, Wisconsin.

QUALITY



☆☆ DOING a quality job in a quality market ...the West Coast...with working conditions ideal the year around...a great place to build a life insurance career!

WEST COAST LIFE COMPANY

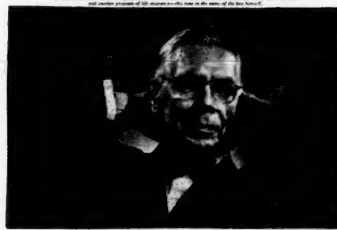
HOME OFFICE • SAN FRANCISCO

HARRY J. STEWART • PRESIDENT

"Too many families learn the hard way what life insurance means..."



The NORTHWESTERN MUTUAL Life Insurance Company



"What kind of economic security should American families seek?"

The NORTHWESTERN MUTUAL Life Insurance Company

"If you want to be happier...more secure...be discontented"



The NORTHWESTERN MUTUAL Life Insurance Company

Unnecessary Hospital Use Is Big Factor in Rate Hike

(CONTINUED FROM PAGE 8)

because patients used unnecessary days did not mean that they were not in need of medical, surgical or diagnostic care, and in most cases they did need it, but these patients did not need to occupy hospital beds in order to receive it. One out of eight Blue Cross patients entered the hospital for laboratory or x-ray examinations, although hospital outpatient departments were performing similar examinations on similar patients every day. More than 18% of Blue Cross patients remained in the hospital in excess of their need.

Dr. Becker said it was evident from the study that "uninsured patients", even those well-to-do, "misused" hospital stays rather rarely but when a third party provides immediate cash outlay the tendency to misuse hospital facilities is much greater. "There seems to be universal acceptance of the fallacy that the hospital bill paid by the pre-payment carrier costs the patient nothing. This is probably the basic cause of most misuse. The fact that in the long run the subscribers to a plan pay the 'whole shot' has surprisingly

enough never been understood by those subscribers.

"Prepayment exists for just one purpose, to make funds immediately available for necessary medical and hospital expense... But there is no magic in prepayment. The arithmetical fact that you can pay out only what you take in applies to prepayment as it does to any industry. In the long run the subscriber pays for his misuse in the increased rates charged for his contract. The more the misuse, the higher the rate, nor does it make much difference whether the employer pays the premium or the employee pays it."

If employers nation-wide were to pay the full cost of medical and hospital contracts for all of their employees, almost immediately the employees would begin to pay the full cost of such protection in the increased cost of everything they might buy. Thus every bit of unnecessary use of hospital facilities eventually is paid for by the patient himself, he declared.

Dr. Becker went on to say that in the survey 1,556 patients out of 12,102 stayed longer than good conservative medical judgment would consider necessary. Days of overstay were 5,231. "If this proportion is projected to the state of Michigan as a whole, for one year, such overstay costs nearly \$5 million a year for bed charges alone. Overstay is only one type of faulty use, and Michigan is only one state."

Also, it was estimated that 2,430 Michigan general hospital beds are wasted every day by being used unnecessarily. Such beds must be replaced by new construction at a cost of \$40 million, which the public will pay for.

To remedy the situation, Dr. Becker recommended: Inpatient care to the patient who needs it. "Every day a patient occupying a hospital bed only in order to obtain benefits from a prepayment carrier becomes a charge against all subscribers and increases by some increment the entire cost of hospital operation."

Eliminate a considerable portion of the present high hospital bill and the presently high prepayment rates with a new conception of the vending of medical care on the part of the hospital, physician, the prepayment carrier, and the patient by: Expanding and perfecting existing general hospital facilities so that minor surgery and most diagnostic procedures may be performed without hospitalizing the patient.

Provide convalescent sections, the operation of which will require less highly trained personnel and which will cost less to construct and operate. Prepayment plans must furnish a contract providing necessary service on an outpatient basis.

Physicians must accept the hospital outpatient department as one of their workshops, using it for such diagnostic procedure and for such treatment as can be properly accomplished there, with both doctor and administrator realizing neither is encroaching on the other. He warned on this point: "I do see real danger, however, in both medicine and the hospital being forced to make unwelcome and improper adjustments in the manner in which they distribute their care, unless they themselves make sure that their total operation is economically efficient. The present demand by some powerful organized public groups, that they be able to contract for complete health service with one vendor of such service, who will provide high quality care

at a price the individual can afford, presents a challenge to all of us. We are still in a position to offer such care on our own terms, and under such conditions it will be in the public interest. Our failure to do this will inevitably result in the loss of initiative and precipitate an undesirable political, economic and social effect."

Patients must be conditioned to the use of outpatient facilities in cases where in-patient care is unnecessary.

Dr. Becker stated that with rising cost of hospital care or prepayment coverage such care has already been priced above the financial ability of more than one-fourth of the nation's families—the very people for which the plans were originally provided to assist, and the three-fourths of the people who can now buy protection from the expense of serious illness is decreasing with each increase in prepayment cost.

"On the other hand, hospital facilities

Paul Revere Life Meet

Canadian branch managers of Paul Revere Life held a 3-day sales seminar at Niagara Falls, Ont. They heard details of a new mortgage security plan which makes available both death and disability coverage in a single package. W. Douglas Bell, general manager of Canada, reported that both non-cancellable A&S and life sales during the first eight months had exceeded a similar period in 1953.

Head office staff members who took part in the sessions were John Goad, John Carr and Dennis Salloway, superintendents of agents. Donald E. Moore, executive assistant, represented the home office.

ties are being used more and more freely by those who are still able to afford protection. Hospital beds are being built at an unprecedented rate. As more general hospital beds are available, there is less deterrent to the over-use of hospital facilities."

WANT ADS

Rates—\$18 per inch per insertion—1 inch minimum. Limit—40 words per inch. Deadline 5 P. M. Friday in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance.

THE NATIONAL UNDERWRITER—LIFE EDITION

ACTUARIAL OPPORTUNITY

Firmly established, rapidly growing, mid-western company with approximately \$700,000,000 of insurance in force offers excellent opportunity in the actuarial field. There is an immediate opening in the Ordinary Department for a young man who has passed four or more examinations of the Society of Actuaries with the intention of completing all of them. Starting salary up to \$9,000 depending on qualifications. Employee benefits are second to none. Moving expenses will be paid by us. All applications will be kept strictly confidential. Address B-1, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

HOME OFFICE OPPORTUNITY

Small, rapidly expanding midwest company seeks man, age 28 to 38, with at least five years home office experience in life, health, and accident insurance. This man will take charge of home office operations reporting directly to the president. Write full details of background, experience and present salary to B-6, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Illinois.

ACTUARY—WANTED

Midwest Consulting office has opening for young Associate or Fellow. Address Z-73, The National Underwriter Company, 175 West Jackson Boulevard, Chicago 4, Illinois.

SUPERVISOR WANTED in LOS ANGELES, CALIFORNIA

Man with successful Life Insurance selling experience, for a successful agency of 20 full time career underwriters. Please give a complete personal history. Address B-5, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Illinois.

AVAILABLE AGENCY DIRECTOR

Can bring your company a world of experience in hiring and training agents and general agents. Entirely new concept for fast, substantial, profitable growth. Prefer small combination life, accident and health company. Salary and incentive desired. Address B-10, The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

ACTUARIES

CALIFORNIA

COATES, HERFURTH & ENGLAND

Consulting Actuaries

San Francisco Denver Los Angeles

RON STEVER and COMPANY CONSULTING ACTUARIES EMPLOYEE BENEFIT PLANS

H. M. Sarason, F.S.A. K. C. Stever, C.P.A.
Los Angeles and San Francisco

GA. VA.-N.Y.

BOWLES, ANDREWS & TOWNE

Consulting Actuaries
Employee Benefit Plans

Atlanta • Richmond • New York

ILLINOIS

CARL A. TIFFANY & CO.

CONSULTING ACTUARIES

211 West Wacker Drive
CHICAGO 6
Telephone FRanklin 2-2633

Harry S. Tressel & Associates

Consulting Actuaries

10 S. LaSalle St., Chicago 3, Illinois
Telephone FRanklin 2-4020

Harry S. Tressel, M.A.I.A. W. P. Kelly
M. Wolfman, F.S.A. A. Selwood
M. A. Moscovitch, A.S.A. M. Kazakov
D. Sneed L. Miller

CHASE CONOVER & CO.

Consulting Actuaries
and Insurance Accountants

Telephone FRanklin 2-3868
135 S. La Salle St. Chicago 3, Ill.

IND. & NEB.

Haight, Davis & Haight, Inc.

Consulting Actuaries

ARTHUR M. HAIGHT, President

Indianapolis - Omaha

MISSOURI

NELSON and WARREN

Consulting Actuaries
Pension Consultants

ST. LOUIS KANSAS CITY

NEW YORK

Consulting Actuaries
Auditors and Accountants

Wolfe, Corcoran & Linder

116 John Street, New York, N. Y.

OKLAHOMA

W. J. BARR

CONSULTING ACTUARY

HOME STATE LIFE BUILDING
OKLAHOMA CITY, OKLA.

PENNSYLVANIA

FRANK M. SPEAKMAN

CONSULTING ACTUARY

ASSOCIATE
E. P. Higgins
THE BOURSE PHILADELPHIA

LONG TERM BANK LOANS ARRANGED ON VESTED RENEWAL CONTRACTS

U. C. & G. C. serves the financial needs of those engaged in the Life Insurance Business. Your tax problems may be simplified and savings effected. Correspondence invited.

UNDERWRITERS CREDIT & GUARANTY CORPORATION

405 Montgomery Street, San Francisco 4, California

LIFE AGENTS GENERAL AGENTS AND BROKERS

Continued from page 15
Mailings to 1500
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Continental Casualty Is Mailing PR Booklet to 150,000 Agents

Continental Casualty group is in the process of sending to more than 150,000 fire, casualty and life agents copies of its booklet entitled *Growth Through Leadership*, a history of Continental group.

The book is designed to emphasize to agents the prominence of the Continental companies as the largest and most successful multiple line group west of Hartford, and stresses that it offers a complete range of coverages. The book is attractively gotten up in three colors, and gives a resume of the four Continental companies—Continental Casualty, Continental Assurance, Transportation and United States Life.

Phoenix Mutual Offers New Life Retirement Contract

Phoenix Mutual Life has added a new contract to supplement its present pension trust and profit sharing series. Designed especially for the pension and profit sharing market, the new life retirement contract offers the employer a variety of methods for funding a pension or profit sharing plan to fit the needs of his business and employees.

Here is an example of how the plan works: Under a pension plan using the new contract the trustee purchases \$1,000 of life retirement for each \$10 of monthly retirement income provided by the formula chosen. Premiums are the same as for ordinary life and, at present, the same dividend scale applies. This is the employer's only fixed commitment.

When the plan is taken out the employer begins to build an auxiliary fund and as each employee reaches age 65 this fund is used to convert the life retirement contract to a life annuity at a guaranteed cost. In the event of termination of employment before retirement a participating employee normally will continue his life insurance on a personal basis.

The new contract is equally adaptable to profit sharing plans where a portion of the employer's contribution is applied on premiums and the balance is accumulated in the auxiliary fund.

State Mutual Plans Conference on Group

State Mutual's annual group conference will be at Oyster Harbors Club, Cape Cod, Sept. 27-29, under the direction of Alan R. Wilson, group secretary, and Arthur A. Dunn, assistant secretary. Field representatives from all parts of the country will participate in group discussions and several home office executives will speak on the latest developments in specialized phases of group selling.

Besides field representatives, members of the home office staff on the program are Mr. Dunn, Abbott P. Allen, manager of group term and casualty underwriting; William A. Henning, Jr., assistant manager of group term and casualty underwriting; Norman Norton, assistant secretary of the group division; William R. Reitzell, manager of group sales administration department; Harold V. Lyons, actuary of group, and Donald C. Day, assistant manager of the group sales department.

CLU Teachers Confer

Teachers of CLU study classes in the east will meet in a series of educational conferences conducted by the college. Sessions will be held in Hartford, Oct. 21-22; Buffalo, Oct. 28-29; Philadelphia, Nov. 4-5; and Atlanta, Nov. 18-19.

About 140 persons are expected at the sessions. Several deans of collegiate business schools and insurance teachers will attend as guests. Subjects to

be covered include characteristics of successful CLU candidates, how to conduct an effective class, causes of failure, the importance of practice in writing examinations, and pros and cons of the one-part-a-year plan.

Approximately 225 CLU study groups are being set up in different parts of the country for the school year now starting.

The Worcester, Mass., agency of *Connecticut General Life* has moved to the Slater building at 390 Main street. Francis O. Graf is manager.

A&H Business Better Than Publicity Indicates, Wells Tells Indianapolis Meet

The A&H business is getting better than the newspapers and Congressional committees would have us believe, H. E. Wells, Indiana commissioner, told a meeting of Indianapolis Assn. of A&H Underwriters.

"There is nothing wrong with the business that can't be cured by polishing up sales presentations a little, particularly to make sure that a man knows exactly what he is buying," ac-

cording to Mr. Wells. "The majority of the complaints the department receives are not true complaints but mere evidence of misunderstanding of policy provisions, which could have been avoided with a little more care in the interview."

After the meeting a "panel of experts" answered questions from the audience. They were Robert Monroe, group supervisor Great-West Life; Charles Ray, manager A & H department, Indianapolis Life, and Harry Guion, Business Men's Assurance.

THE CONSTRUCTIVE APPROACH

In selling advertising in *The National Underwriter*, we are committed to the policy of stating and emphasizing only what we know to be our own advantages and strong points. We believe this is what the prospective advertiser expects of us. We believe just as firmly that he does *not* want our comments on what we may feel to be the weaknesses or inadequacies of any other paper, if for no other reason than that he knows as well as we do that there are several other good insurance papers in addition to *The National Underwriter*.

Perhaps it has been observed by the readers of this series of advertisements, that in them we devote no space to a discussion of our opinion of other publications.

Instead, we present our case constructively. We describe only what we have, because we are convinced that by whatever standard of comparison the prospective advertiser may use, he will decide we have plenty. We have been able to lead many to this conclusion.

In short, our experience has shown us that it is both unwise and unnecessary to refer destructively to any of our competitors.

The NATIONAL UNDERWRITER

Largest Circulation of Any Weekly Insurance Newspaper



Number eighteen of a Series

Claims Assn. Hears N. Y. Lawyer on Suicide Defense

(CONTINUED FROM PAGE 7)

evidence to support the plaintiff's claim and that, furthermore, the company had established without contradiction that insured had been treated for duodenal ulcer and that no disclosure of it had been made by him to the company.

The moral to be gained from these two cases, Mr. Welch said, applies to all claim work. Once the facts are known, the law becomes relatively simple. If the lawyer has the facts, he will present them astutely and results will follow automatically.

Under New York statute, a life company which issues a supplementary contract in the form of the conventional double indemnity clause or any other contract providing for additional benefits in the event of death by accident or accidental means may impose any restrictions it wishes, so long as they are understandable and formal clearance has been obtained from the superintendent of insurance.

The language of double indemnity contracts, the exceptions contained therein, the limitations as to coverage are so varied as almost to defy state-

ment, Mr. Welch said. Some contracts make no exceptions, others except liability under the double indemnity clause in the event the death results from suicide, sane or insane, or from any number of other specified exceptions.

The burden of proof to show insured met death through accident within the provisions of the contract is upon the beneficiary. In such a situation the plaintiff-claimant is aided by the presumption against suicide and frequently this permits the plaintiff to make out a *prima facie* case. If the insurer then comes forward with evidence and demolishes the presumption, the eventual burden of proving the death was accidental rests on the plaintiff. If the plaintiff fails to provide sufficient evidence to sustain the burden imposed upon him at all times throughout the trial of establishing, by a fair preponderance of the credible evidence, the death of insured by accidental means and not by suicide, the plaintiff must be non-suited.

If the insurer introduces no proof and it appears that the facts and circumstances are as consistent with death by accidental means as they are with death by suicide and a death by accidental means is found, it will not

be disturbed.

Provisions in the supplementary contract or double indemnity coverage are not affected by the statutory two year incontestable period which is applicable to the life contract. The insurer has the right to cancel out or to defend against a claim on this portion even though the contract has been in force more than two years. This is not so if the policy expressly provides that it is incontestable after it has been in force for two years, or if the phraseology of the policy is ambiguous so the policyholder might be led to assume that the double indemnity coverage, like the life portion of the contract is incontestable, then it will be deemed incontestable after the expiration of the two year period.

There were double indemnity contracts involved in the case of Strasberg vs Equitable Society. Before the trial on the life contract, counsel for the company moved for summary judgment dismissing the claims predicated on the double indemnity contracts on the ground that insured had met death as a result of the ingestion of a drug, sleeping tablets.

The double indemnity provisions of the policies involved state that payment of the double indemnity was subject to "receipt of due proof as herein required that the death of insured was accidental and that such death was 'not the result of or caused by...any drug...voluntarily or involuntarily, accidentally or otherwise taken...'"

The plaintiff had alleged that insured died from accidentally taking an overdose of sleeping tablets.

The court held that the motion for summary judgment was based on the documentary evidence, including the original verified complaint, the amended complaints, the plaintiff's proofs of claim and the death certificate showing that the cause of death was the ingestion of barbiturate compound, and should be granted.

This meant that the claims made upon the double indemnity clause in each of the contracts were finally dismissed and there was no cause for the company to go through the expense and uncertainty of an extended trial.

The opportunity to utilize a motion for summary judgment is a matter that counsel for the companies will always welcome, Mr. Welch said. The legal requirements are that the defense be predicated upon official record or documentary proof the verity of which cannot be impugned. Claim men are always alert to find this kind of proof and once it is uncovered its existence should be perpetuated in positive form so it can be utilized in legal proceedings.

What applies in the Strasberg case on the ingestion of a drug could also be applied in cases where the death of insured was caused, admittedly, as a result of his committing an assault or felony, from his participating in police duty in a police organization, as a result of ptomaine poisoning or from the taking of poison or of inhaling gas, whether voluntarily or otherwise, or as a result of any bacterial infection or as a result of bodily or mental infirmity or from disease of any kind, if such risks were not assumed by the company in its double indemnity coverage.

Of course, he pointed out, it would be necessary that the non-assumed risks and the causal relationship resulted in the death of insured. This

would have to be established by official record or documentary proof before the remedy of summary judgment would be available.

Plan New A & H Locals

Advance planning indicates there will be several new local A & H agents' associations formed during the coming months. In Indiana organizational meetings are being arranged at Evansville, Lafayette, and in the Hammond-Gary area. Another local at Winnipeg is in the planning stage.



He's ESTABLISHED

Walter Strand, Sacramento, became a Big Tree Club Top-Star in his first year with Pacific Mutual, and has maintained this distinguished standing throughout a full decade. In California's capital city he is respected as an outstanding life insurance man, and known as a dependable and popular participant in civic affairs.

"Thanks to the kind of training and guidance furnished by our company, and Pacific Mutual's really versatile coverages," says Walter, "I'm able to provide the insurance service my clients want, and to sustain and enjoy the personal standing that comes with a firmly established name in my community."

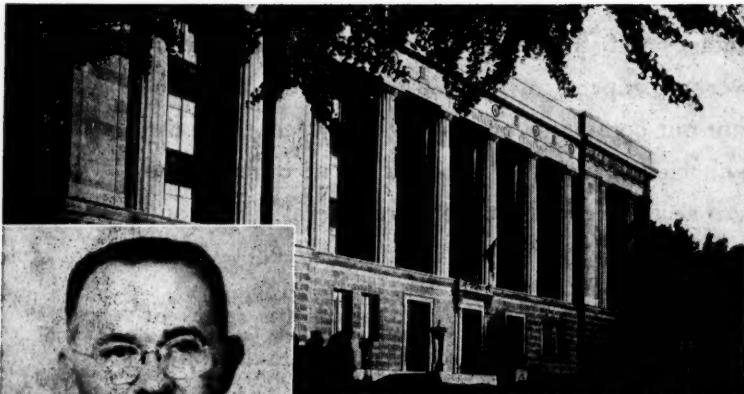
Pacific Mutual

LIFE INSURANCE COMPANY
HOME OFFICE: LOS ANGELES, CALIF.

"GIANT OF THE PACIFIC"

1868

LIFE-ACCIDENT & HEALTH
RETIREMENT PLANS—GROUP



A One Company Man With Two Success Stories

It was January of 1931 when this young man started looking for a job with a future. Prospects weren't too bright in that depression year, but he found what he wanted—a chance to sell life insurance as an agent of the Kansas City Life Insurance Company. The years since have proved that his choice was a sound one, for it brought him not one, but two successes.

In ten years, he had become one of the outstanding young life insurance men in a state noted for its life insurance men—but the war interrupted his career. He entered the army and the same outstanding ability that lifted him to the top in the life insurance business won him an important post with the air force.

In 1945 he returned to life insurance—and in the first 14 days back on the job, he wrote business amounting to more than \$75,000. That year, and every year since, he has qualified for membership in the President's Club and has been its president on two occasions. In 1953, he set a Company production record, writing a volume of nearly \$2,500,000. He has been a qualifying member of the Million Dollar Round Table for seven years and is the holder of practically every Company and national award.

Today Kansas City Life Insurance Company offers the ambitious man more opportunity than ever. Today the Company has more than one billion dollars of life insurance in force—an achievement made possible by the members of the President's Club, to all of whom we pay tribute here.



The President's Club of Kansas City Life Insurance Company is composed of life underwriters whose yearly record is outstanding. With these stories of its officers we pay tribute to the entire organization for the fine effort it has made to make life insurance the splendid vocation that it is.

KANSAS CITY LIFE INSURANCE CO.
Broadway at Armour, Kansas City, Missouri

Clevenger Phila. Life Chicago Regional Manager

William E. Clevenger has taken over formally as regional manager at Chicago for Philadelphia Life. Since 1941 he has been office manager for the company's Beard agency at Chicago. Before that he was 14 years with New York Life and 17 years with the Y.M.C.A. at Chicago.

President William Elliott, Joseph E. Boettner, vice-president and superintendent of agencies, John P. Enright, assistant superintendent of agencies, and Phillip H. Bentz, agency secretary, attended a luncheon at Chicago at which Mr. Clevenger's appointment was announced. A secondary purpose of the visit was to further the company's campaign for \$50,000,000 of new business for the year. The home office delegation is also visiting the various other areas where the company operates.

Industry, Labor Are Setting Guide for A&H, Ford Says

(CONTINUED FROM PAGE 6)

more and more of the financial load of the health care to individuals and industry. Furthermore, in areas where present facilities are not equal to the demand, there is an increasing pressure upon employers to set up closed health plans and to build hospitals and group clinics to service them."

The implications of aging population were also considered, said Mr. Ford, whose company has one retiree for every 15 active employees. He estimated that by 1970 the ratio will be one to seven. "Most of these retired employees are now covered by group hospital and surgical insurance plans, often paid out of retirement benefits."

"Ultimately, then, we might find a growing trend toward industry paying the whole bill for all the health care of the employees and their families. That, I suppose would really qualify as private, industrialized, socialized medicine." He said this was perhaps overstating the case, but does suggest a very broad implication of the "massive intrusion of industry and organized labor into the health picture."

He went on to say that when management and labor get together to discuss health contracts sooner or later any and all the points he had mentioned might be advanced. He queried as to how management is to arrive at an intelligent appraisal of specific demands. "If we were to try, for example, to make some provisions for preventive care, psychiatric treatment or vocational rehabilitation, how accurately could we predict the size of the demand and the probable cost of such provisions? How sure would we be that health facilities and personnel all over the country would be able to meet the added demand?"

"We find within industry the growth of more and more comprehensive health care programs. These programs, which benefit a large portion of our population, are establishing a pattern and setting a standard for a nationwide demand on our health facilities."

Mr. Ford added that private enterprise is not interested in setting up "czars," medical or otherwise, to solve the problem, yet the "present picture does seem to indicate the need for strong and effective leadership within the health area." He feels that the professional health associations are the logical source of leadership; and because the problem of organization is national, its possible solution would call for national action. He asked if it

would not be possible to set up a permanent, private national health commission, representing all the major segments of the health profession, to examine major health needs and recommend how best to meet them.

Toledo Agency Wins Contest

The Toledo agency of Ohio State Life, of which James E. Krause is general agent, won a trophy in a contest with the Cleveland and Detroit agencies of the company. The presentation was made at a dinner at Sandusky.

Meyer Agency, N. Y., Wins Mutual Production Honors

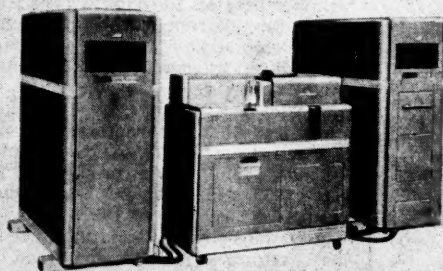
The Richard E. Meyer agency at New York ranked first among Mutual of New York agencies in volume sold and number of policies issued both for August and for the first eight months of this year, giving the agency a clean sweep of production honors.

Second place in eight months' volume was the John P. Meehman agency at Boston. Second in policies sold in that period was the Kay R. Hodgkinson agency at San Diego. Second in policies issued during August was the

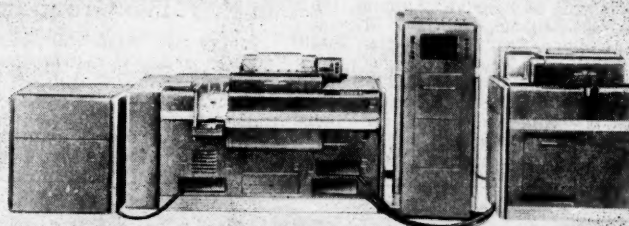
Charles E. Brown agency at Grand Rapids, and second in volume during August was the Percy Goyne agency at Dallas.

N. Y. City CLU Courses

NEW YORK—Insurance Society of New York is offering CLU preparatory courses in Manhattan for all five CLU courses and Bronxville for part C (law, trusts, and taxes); while the law course will be given at Mineola, L. I. Information may be obtained from the society, 16 Liberty street, Digby 4-0410.



Electronic Calculator, Type 607



Card-programmed Electronic Calculator

Here is the one complete
line of electronic data processing
machines—offering the latest advances
in efficient accounting and record-keeping to
meet the needs of any insurance company—large,
small, or intermediate.

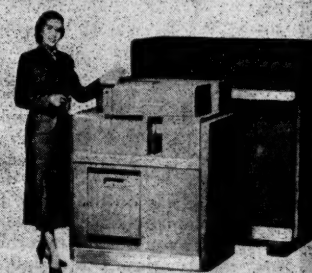
World's Leading Producer of
Electronic Accounting Machines



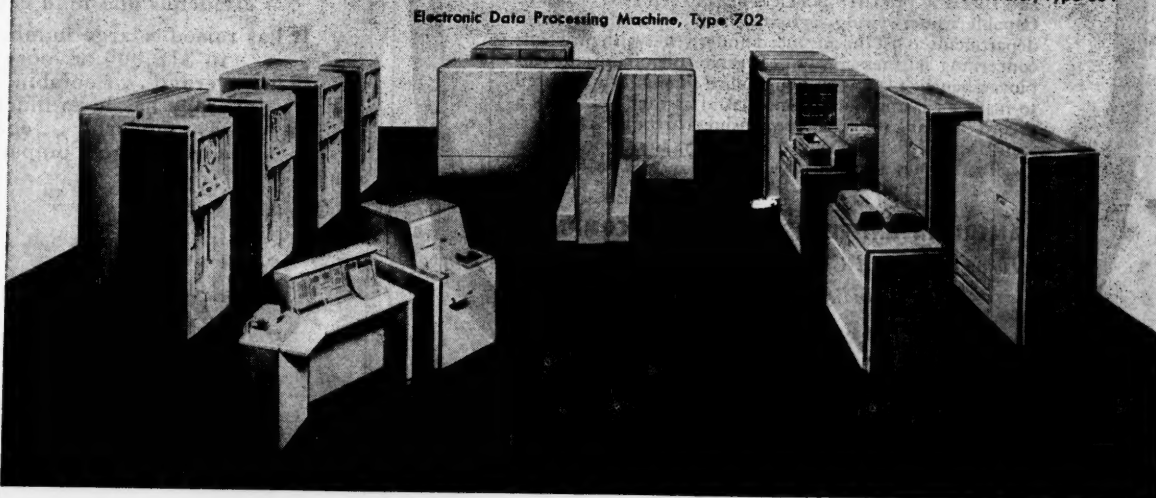
INTERNATIONAL BUSINESS MACHINES
590 Madison Avenue, New York 22, N. Y.



Magnetic Drum Data
Processing Machine, Type 650



Electronic Calculator, Type 604



Electronic Data Processing Machine, Type 702

Manufacturers Life Opens Spokane Office

Manufacturers Life has established a branch office in Spokane and named Reginald H. Moffett branch manager. Mr. Moffett has been a field underwriter and agency supervisor for a Spokane agency. He will take over the building of the sales organization and development of broker operations in the Spokane area.



Reginald H. Moffett

Plan Several DISC Schools

Disability insurance sales course schools will be held at Chapman Park hotel, Los Angeles, Oct. 4-6; Michigan State College, East Lansing, Oct. 28-30, and at Illinois Tech., Chicago, to run for 10 weeks beginning Oct. 27. Schools in Minnesota, Nebraska and Texas are in the planning stage but definite dates have not been arranged.

The school at Los Angeles essentially

will be a one-company affair, since Midland National of South Dakota will enroll 35 to 40 men. However, enrollments will be open to Los Angeles area agents. The Chicago course will be held in the evenings, with Irving G. Wessman, Loyalty group, as chairman.

Insurers Lend \$2.8 Million

Signature Loan Co., a consumer finance concern has arranged with three institutional lenders for loans totaling \$2,800,000, including a \$2 million 4½% note issued to Mutual Life of New York, due in 1964, and the rest in 5% subordinated notes have been placed in equal amounts with U. S. Life and Colonial Life, due in 1965. The loan company will use part of the proceeds to redeem existing debt and the rest will be added to working capital.

In N. Y. Life Group Post

Harry A. Holland, Jr., has been appointed assistant district group supervisor of New York Life in San Francisco. He formerly was with Marsh & McLennan. He has a degree from Harvard business administration school.

Home Life Dividend Scale Up; Some Policy Rates Cut

(CONTINUED FROM PAGE 8)

a panel on hitting 300 through knowledge, attitude, skills and habits (KASH) were W. R. Tydings of Denver, J. J. Brackett of Pittsburgh, H. Liebross of New York-Loewenheim, and V. Brennan of Syracuse. Another panel on business interest featured talks by C. J. Malin, Chicago-Klein, and L. C. Lob of New Orleans. A third panel, consisting of I. F. Gallagher, policy planning manager, J. S. Chamberlain, New York-Bremner, and R. C. Bouchard, Newark, discussed sound planning. In addition, W. B. Ferrell of Richmond talked on planned estate reviews.

One morning was devoted to group. Mr. Worthington introduced this portion of the program, stating that Home Life's decision five years ago to enter group business appeared more sound today than ever.

Gerald K. Rugger, group manager, announced that the company's group production in the first eight months exceeded total group production for all of 1953, and 1954 production should exceed by 50% that of 1953.

Advantages of participating in regular group activity were outlined by Francis H. Low, assistant to the president. The successful agent gains in all-around prestige if he is equipped to offer group service in his community, and at the same time enjoys an increased income.

Edward C. Devine, assistant manager of group sales, then introduced a three-man panel discussion dealing with their personal experiences in group and the advantages of regular group activity. Participating were E. J. Druilhet of New Orleans, P. Plybon,

agency field assistant, and A. G. Matson of Atlanta.

The final speaker of the group session was William Werber of Washington, D. C. A former big-league baseball star, he is a successful life agent. He told of his interest in group and indicated that his success in this field was the result of an open mindedness to new experience and an alertness to clients' needs. He spoke of one case after another where group business was the outgrowth of close attention to the needs of his clients.

Raymond C. Ellis, New York manager, said life insurance is one of the most competitive businesses in the world. Its basic competition arises, not from rivalry among individuals, but from the competition "you have within yourself." The battle of self-discipline and character-building is never truly finished, and he suggested continual study, planning and work for success.

Award for Bankers L&C.

A distinguished service certificate has been awarded Bankers Life & Casualty by the President's committee on employment of the physically handicapped for underwriting the costs of producing and distributing a new film, "America's Untapped Assets". The film is being used nationally to promote better public understanding of the desirability of employing physically handicapped workers.

State Capital Changes Top Men

Irving F. Hall has been named chairman of State Capital Life at Raleigh, N. C., and Hubert F. Ledford was elected to succeed him as president. Mr. Ledford was a founder of the company and has been secretary since 1936 and executive vice-president since 1952.



*deliver us
from
hungry
salesmen!*

A hungry salesman, with that greedy, dollar-sign look, does not inspire confidence. Yet, customer confidence is the only foundation for life insurance sales that stay on the books. Persistency makes a life insurance policy profitable to owner, agent, and company alike. We're sure you'll agree that this is basic common sense.

American United Life's sales philosophy is built around this thought. Training programs stress it. Unique sales tools and specially prepared booklets help to sell good business. Capable underwriting, actuarial and "special services" departments assist the advanced underwriter with problems concerning business insurance, estate planning, and employee benefit plans—all home office functions are geared to make a "lasting" impression. And as each year adds a record-breaking volume of good business to the books, American United Life is convinced that it pays to concentrate on "well fed" sales representatives.

Assets over \$100 millions, insurance in force over \$550 millions

AMERICAN UNITED LIFE INSURANCE COMPANY
Home Office, Fall Creek Parkway at Meridian Street
Indianapolis, Indiana

**NEWS
NOTE**

from

FIDELITY
A WELL-BALANCED COMPANY

Low Cost Policy

Fidelity's new low cost policy, the Fidelity Special, has created a remarkable sales record since its introduction several months ago.

This policy, written \$15,000 minimum, carries a very low cost with low premiums, substantial dividends and high cash values.

It has raised a large number of normally \$10,000 sales to \$15,000 or more. Thus far, \$23,400 has been the average . . . combined with Term Riders, the average has been much higher. Written sub-standard as well as standard . . . commission rates the same as for the Company's regular Ordinary Life.



**The
FIDELITY MUTUAL
LIFE INSURANCE COMPANY**
THE PARKWAY AT FAIRMOUNT AVENUE
PHILADELPHIA • PENNSYLVANIA

G. Mat-

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FHA Committee Counsel Gives Franklin Clean Slate

Following hearings at Chicago and Indianapolis by the senate banking committee headed by Capehart of Indiana which is investigating fraud in connection with FHA insured loans, William Simon, chief committee counsel, made the statement that "the committee is not interested in Franklin Life, whom it did not hold responsible for any of the transactions" over which its name arose.

At the Chicago hearing, Maurice Bauman, Champaign, Ill., mortgage dealer, testified that he had paid \$1500 to Hoyt M. Dobbs of the Franklin loan department.

The hearing was concerned principally with title 1 loans, the type involving housing improvements. Chas. E. Becker, president of Franklin, told THE NATIONAL UNDERWRITER the company never has taken such loans.

As to the fee reputedly paid Mr. Dobbs by Bauman, Mr. Becker said the fact is that "Franklin Life was not even in a remote way involved." He explained that some time ago Franklin received an application through Bauman for a small commercial loan, but this was turned down by the company's finance committee. Arrangements for placing the loan with another company were made by Mr. Dobbs and Bauman, as individuals. Mr. Dobbs received a brokerage commission for his personal services in these negotiations.

The committee's chief counsel said the Franklin was not responsible for or involved in any of the transactions testified to by Bauman.

• San Francisco Managers Sept. 28 will hear Edgar M. Kelly, Prudential manager at Oakland.

Bohlinger May Ask Power to Regulate Welfare Funds

(CONTINUED FROM PAGE 2)

with his brother to give him two-thirds of the commissions.

Irving Jaffee, a paper salesman and brother-in-law of Reuben Marcus, an official of the fund of Local 107 of International Brotherhood of Pulp, Sulphite and Paper Mill Workers, AFL, said he made \$25,000 in 2½ years by splitting fees on the fund's business.

Joseph Procopio, international vice-president of Retail, Wholesale and Department Store Union (CIO) and manager of United Shoe Service Employees local 563, admitted he had a son and a daughter on the union payroll and another son was counsel for the local and the welfare fund. The fund paid the union \$300 a week to help meet the salaries of the family and three other union employees. Mr. Procopio also said he got \$6,068 in benefits from the fund in the past six years, part of which was used for a rest trip to California for a heart ailment.

Commonwealth Life Names Four District Managers

Commonwealth Life has made four district office assignments. W. E. Tucker, manager at Paducah, Ky., has been transferred to Evansville, Ind., as manager. Joseph L. Franey, Clyde Phelps, and Robert A. Philpot, field training consultants, have been made managers at Memphis, Johnson City, Tenn., and Paducah, respectively.

Manager at Paducah since 1951, Mr. Tucker joined the company in 1948 and that same year was advanced to

assistant manager at Somerset, Ky.

Mr. Franey joined the company in 1946, was promoted to assistant manager at Owensboro, Ky., the following year and to field training consultant in 1952.

With Commonwealth since 1948, Mr. Phelps was named an assistant manager in 1950, serving at Dayton and Portsmouth, O., and last June became field training consultant.

Mr. Philpot went with Commonwealth in 1945 at Owensboro, was named assistant manager there in 1948 and in 1952 became field training consultant.

Havens Heads New Agency for State Life of Indiana

Harold V. Havens has been named manager of a new State Life of Indiana agency in Indianapolis and Marion county. Offices will be at 1220 State Life building. The long-established Indianapolis agencies of Clarence S. Sweeney, general agent, and Arthur D. Gray, district manager, will be continued.

Mr. Havens entered life insurance in 1940 as an agent for Western & Southern Life, later becoming manager.

An Interest Stimulat-her

One of a Series of
Messages on New Ways
Midland Mutual Life Helps
Field Men Increase
Their Sales

Message #2

THE Protect-her
FOR WOMEN ONLY

Captures Instant Attention when prospecting for Women's Business

Just one example of the unique "Prospecting Tools" Midland Mutual Life provides to help make selling easier. There's a whole kit of them . . . one for every life insurance need—for all insurable age groups. And each is a real sales stimulator—planned and sales-proved by representatives of all grades of selling ability. It's just one of the reasons so many Midland Mutual Life men are setting new records for themselves—by taking full advantage of the "all-phase" cooperation offered by their Home Office. Teamwork that means more apps—more income!

If you reside in one of the following states in which we do business and would like a "look" at this new way of "stimulating interest" and other points of our "field-building" methods, we'll be glad to hear from you.

Ohio, Pennsylvania, New Jersey, West Virginia, Kentucky, Indiana, Michigan, Illinois, California, Iowa, North Carolina.

There's no obligation and your inquiry will be confidential. Write Russell S. Moore, Manager of Agencies!

Watch for early appearance
of Message #3 on
"Creating Desire"

The MIDLAND MUTUAL Life Insurance Company

250 E. Broad Street

Columbus 16, Ohio

Opportunity

Selling Military
Officer Personnel
Exclusively
ALL BRANCHES

We offer a most attractive general agent's as well as agent's contract—an excellent line of low cost, easy-to-sell, participating policies; and we give you the backing of a financially strong company plus an effective sales promotion program.

For Information Write

O. R. LEVERETT
Vice Pres. and
Director of Agencies

AMERICAN INDEPENDENCE
Life Insurance Company

SHELL BUILDING

HOUSTON, TEXAS

Greater Benefits for your clients . . .

ILLINOIS MUTUAL'S New Major Medical Expense Plan Protects Your Clients against Catastrophic Medical Costs

Now there is an Illinois Mutual plan to fit the specific needs of each of your clients!

In addition to many other sales producing policies available, Illinois Mutual's newest policy covers catastrophic medical costs, providing the extra money where and when your clients need it most. The policy covers ALL medical expenses in full after the first \$500 — \$750 or \$1000 deductible expense up to \$5,000 — \$7,500 or \$10,000 with limitations only on the amount of daily hospital room and ambulance costs and provides for rental rather than purchase of mechanical aids.

Add this policy to your list of plans and make your portfolio a kit full of sales.

Territories open in Illinois, Indiana, Ohio, Michigan, Minnesota, Missouri and Wisconsin.

Illinois Mutual Casualty Co.

(non-assessable)

HOME OFFICE: 411 LIBERTY ST., PEORIA, ILL.
E. A. McCord, President, C. C. Inman, Executive Vice President
The best in accident, sickness and hospital insurance since 1910.

NEWS OF LIFE ASSOCIATIONS

N. Y. Schedules Meetings

New York State Assn. of Life Underwriters "appleknockers" sales caravan will be Oct. 20-22. Meetings will be held on each of the three days in Buffalo, Syracuse and Poughkeepsie, respectively.

The association has also scheduled its fall delegate meeting to coincide with the 50th anniversary luncheon of Syracuse Life Underwriters Assn. Nov. 5-6. The state general agents and man-

agers meeting will be Feb. 18-19 at Saratoga.

Plan Ind. Midyear Nov. 12-13

The midyear meeting of Indiana Assn. of Life Underwriters will be held at Indianapolis Nov. 12-13. In addition to a directors' meeting, Ralph Stewart, Ohio State Life general agent, will describe the successful public relations program sponsored last year by the Muncie association. There also will be

a session at which local secretaries will receive instruction in their duties from R. W. Osler, vice-president of Rough Notes Co.

Gulfport, Miss.—New officers of the Gulf Coast association are Wayne L. Mabry, Lamar Life, president; L. F. Lassere, National Life & Accident, vice-president, and Archie Dickson, New York Life, secretary-treasurer. George Poole, Gulfport postmaster, spoke.

Austin, Tex.—Speaker was Michael Barron, Great National Life, Bryan, Tex. President Dean Whiffen, California-Western States Life, said the association has plans to present a radio program concerning life insurance.

Toledo—Donald L. Wulz, manager of New York Life, was named president. Other officers are Gilbert Templeton of Metropolitan vice-president; O. M. Heine of Lincoln National Life, secretary Harry Stewart of Life of Virginia, Samuel G. Carson of Aetna Life and Alvin K. Dickson of Equitable Life of Iowa, trustees.

Central Arizona—New officers are L. Wayne Adams, National Life of Vermont, president; R. Burton Johnson, United Benefit, vice-president; George C. Bright, Penn Mutual, secretary, and William A. Delzell, Jr., Mutual of New York, treasurer. Robert C. Gilmore, Jr., Mutual Benefit Life, Bridgeport, Conn., president of NALU, was a speaker.

Jackson, Mich.—The property values of life insurance were discussed by Russell M. Logan, Ohio State Life general agent at Bloomington.

Racine, Wis.—Certificates were presented to 26 Racine and Kenosha agents who have completed parts of the LUTC course. Course chairman was W. H. Schilke, Prudential, and instructors were Edward Murray, Jr., Prudential, and R. P. McGuire, Massachusetts Mutual.

Memphis—A panel discussion on the new social security act was given by Ivo McFadden of New York Life; Charles McNamee of Metropolitan Life; and Joe W. Eanes of the social security administration at the first fall meeting. About 350 persons were present.

Newark—Hugh S. Bell, general agent of Equitable Life of Iowa at Seattle, was the speaker at the opening meeting of the season.

Lansing, Mich.—Norman T. Sheppard, assistant agency superintendent of Manufacturer's Life, spoke.

Seattle—Nineteen graduates of the LUTC training course were honored at the first fall luncheon. Charles H. Conker of New York Life and John O. Wilson of Mutual Benefit Life received special awards as instructors. King Torgeson, assistant district manager of the social security department, spoke on new changes in the social security act.

Buffalo—Edmund Fitzgerald, president of Northwestern Mutual Life will speak at the Sept. 29 meeting. He will discuss life insurance as affected by the 1954 revenue act.

Washington, D. C.—W. Rankin Furey, president of Berkshire Life, will speak at the first fall luncheon meeting Oct. 9.

Austin, Tex.—Harry Griffiths, American National, discussed use of the age change technique in selling life insurance. A proposal was presented setting up a six-month insurance experience requirement for association membership.

Oakland, Cal.—"The Value of Education for the Agent" was the topic of Arthur P. Carroll, vice-president of Equitable Society, at a meeting of the Oakland-East Bay association.

Indianapolis—Addressing the first fall breakfast meeting Frederic C. Hiron, Union Central, Cincinnati, compared life insurance selling with a small manufacturing business. He said the shareholders are the wives, children, and the agent himself; the products are life insurance policies; and the gross income is represented by the amount of commissions. To be successful, he stressed the agent must be a workman, student and planner as well as a salesman.

Orangeburg, S. C.—The largest attendance in years turned out for the first fall meeting to hear a talk on "The Laws of Success" by Harland A. Schuler, home office training supervisor of New York Life. The speaker was introduced by W. T. C. Bates, president of the South Carolina association.

Pasadena, Cal.—The Pasadena-San Gabriel Valley association at a breakfast meeting heard a talk by Tony Wahn, president of Pacific Indoor Advertising Co. The Pomona branch at a luncheon was addressed by Will H. Gould, Massachusetts Mutual, Los Angeles.

Janesville, Wis.—Speaker at the first fall meeting of the Southern Wisconsin association was James Roederer, field manager for Phoenix Mutual Life.

Green Bay, Wis.—Frank Neu, general agent for National Guardian Life at Eau Claire, Wis., discussed the new social security law at a meeting of the Northeastern Wisconsin association.

Racine, Wis.—New officers of the Racine-Kenosha association are O. G. Hestergaard, Franklin Life, president, to succeed Eugene Hammond; Robert Peterson, vice-president; L. H. Gerstad, Jr., secretary, and John Sorauf, treasurer.

South Bend, Ind.—Kenneth R. Bentley, Northwestern Mutual Life, spoke on "My Million Dollar Formula".

Peoria, Ill.—Speaker at the first fall luncheon meeting was Dr. Harold P. Rhodes, president of Bradley University. LUTC certificates were presented.

Toledo, O.—The speaker was Arwood Henderson, superintendent of agencies for Aetna Life.

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AGENCY OPPORTUNITIES in Illinois, Indiana, Iowa, Ohio, Michigan, Minnesota, Missouri, North Dakota, Texas

Life of Ga. Promotes Three to Manager

Life of Georgia has appointed three new district managers in Florida, Alabama and Mississippi. Donald A. Matthews has been promoted from staff manager in Coral Gables, Fla., to district manager at Fort Pierce, Fla.; Uranus H. Prickett went from the training department to managership at Birmingham, Ala.; and Howell P. Pettigrew was appointed from the training department to the Vicksburg, Miss., managership.

Mr. Matthews has been with the company 16 years, beginning as an agent in Fort Lauderdale, Fla. Mr. Prickett also began as an agent at Fort Lauderdale, in 1946. He became staff manager in 1950 and transferred to the home office training staff last year. Mr. Pettigrew joined the company in Spartanburg, S. C. in 1943 and transferred to the training department in 1952.

W. C. Coffin Joins Hancock

William C. Coffin has been appointed supervisor of the Goodman agency of John Hancock Mutual at El Paso, Tex. His territory will include El Paso, west Texas and New Mexico. Mr. Coffin entered the business 7½ years ago with Bankers Life of Iowa and has been supervisor at El Paso. He is a navy veteran.

N. Y. Life Makes Sale, Leaseback Deal in Pa.

A sale and leaseback transaction has been completed by New York Life for the construction of a new general headquarters office building for West Penn Power Co. in Greensburg, Pa.

A 20-acre tract about a mile north of the Greensburg business section was sold to the insurance company by West Penn, which leased it back. New York Life will finance, at an estimated cost of \$4,200,000, a modern 3-story and basement structure which will be occupied by the utility company. The brick and stone structure will be air-conditioned and will contain an all-electric cafeteria. An expandable 250 car parking lot will adjoin the building, which is scheduled for completion by late 1955.

Western Indemnity of Texas Starts

Western Indemnity Life of Houston, formed as an A & H companion company to Oil Industries Life, now is writing business. It has capital and surplus of \$750,000. President John Bennick and Chairman Dale R. Major of Oil Industries Life hold the reverse positions with Western Indemnity. George W. Fitzsimmons, for many years vice-president and superintendent of agents of the disability division for Continental Casualty, is executive vice-president of Western Indemnity.

Select Chicago Area for New NALU Headquarters

(CONTINUED FROM PAGE 1)

secretary; and the following new members of the board of directors, William A. Fraser, Bankers Life of Des Moines at Lincoln, Neb.; Martin M. Guon, Metropolitan Life, Chicago; Edward L. Reiley, Mutual Benefit Life, Philadelphia; Fred H. White, Massachusetts Mutual, Buffalo; Leonard T. Smith, Prudential, Providence, R. I., and Carl A. Ernst, North American Life & Casualty, St. Paul.

Mrs. Florence McConnell, John Hancock, Galesburg, Ill., was elected chairman of the Women's Quarter Million Dollar round table. She succeeds Mrs. Matilda Wells, Prudential, Detroit, who continues as an ex-officio member of the board.

Others elected are B. B. MacFarlane, Pan American Life, New Orleans, vice-chairman; and two board members, Mrs. Dorothy Boond Howell, New York Life, New York City; and Helen L. Rupp, Prudential, Minneapolis.

Complete coverage of the convention will be found in the three special convention daily issues being mailed to all NATIONAL UNDERWRITER subscribers.

McNeill Heads Occidental Merchandising Department

To keep abreast of competitive changes in the sales portfolios of life and A & H companies, Occidental Life of California has established a merchandising department under A. Mason McNeill. Assistant directors of the department, which also will initiate new sales aids and allied material, are J. Carl Williams and Paul Doermann.

Mr. McNeill, who will continue to supervise pension trust sales, entered the business in 1936 with Provident Mutual. He went with Occidental in 1946, after navy service, as assistant manager at San Diego and was named superintendent of the pension trust department in 1951. He is a past president of San Diego CLU chapter.

Mr. Williams started with Royal Union Life as a department manager in 1930 and went with Atlas Life in Tulsa, Okla. three years later. He has been with Occidental since 1945 and besides his new position will continue handling

sales administration of individual-policy pension and profit sharing plans.

Mr. Doermann, an air force veteran, joined the company in 1951. He had been junior brokerage and administrator.

Grosten Leads Agencies in Fordyce Campaign

Richard M. Grosten agency of Los Angeles won the award of Manhattan Life for company leadership in paid volume during the Fordyce summer campaign honoring J. P. Fordyce, chairman. The agency also led in group sales, as well as in division one of the competition, winning three of the seven plaques offered by the home office.

Other agencies receiving awards were Percy A. Peyser agency of New York City, division two; John F. Fixa agency of San Francisco, division three; Charles H. Glueck agency of Gary, Ind., division four; and Harry W. Porter agency of Pittsburgh, division five.

Following the Grosten agency in volume in the Fordyce campaign were James G. Ranni agency, New York City, second, and M. Milton Sobel agency, Philadelphia, third.

Occidental Opens Toronto Branch; Lawton Manager

Occidental Life of California has opened its first Canadian branch at 33 Bloor street, East, Toronto, with Robert C. Lawton as manager. A reception marking the opening will be held at the Royal York hotel in Toronto Sept. 28 with Horace W. Brower, president, and William B. Stannard, agency vice-president, as hosts.

Mr. Lawton joined Occidental at Pasadena, Cal. in 1949 after serving as an agent for Prudential of England at Toronto. He was made assistant manager at Pasadena in 1951. He is a veteran of the Royal Canadian Air Force.

Colonial Life Honors Philadelphia Agents

Agents of the Philadelphia branch of Colonial Life and their wives were honored at a luncheon at the home office at the climax of a successful quarter-million dollar 5-week sales campaign. President Richard B. Evans and Vice-President James G. Bruce congratulated David Abrams, manager, and members of the branch for their work during the first six months which culminated in the sales contest.

Prudential Names Marr

Willard I. Marr has been named head of Prudential's district office at New Britain, Conn., succeeding Charles Karpman who recently was appointed associate director in the company's metropolitan regional headquarters in New York City.

Mr. Marr has been in insurance since 1931 and with Prudential in sales and sales supervisory posts since 1937. Originally a district agent at New Haven, he was advanced to a staff manager position in 1943.

Elect Culp in Michigan

Harry O. Culp of the Culp agency was elected to the presidency of the Central Michigan A&H Underwriters association, succeeding L. J. Devereaux. Other new officers are: Vice-president, J. A. Doherty, Retail Credit Co.; secretary-treasurer, Raymond J. Miller, Mutual Benefit H. & A.

Features Dogs on Calendar

The 1955 wall calendar of Massachusetts Mutual Life will feature a series of dog pictures. The pictures, selected from 653 subjects, are of dogs representative of their breeds.

NALU, Investment Firms Adopt Guiding Principles

(CONTINUED FROM PAGE 1)

field. Basic text and reference materials should be provided by each business for representatives of the other.

It is essential that agents and investment salesmen recognize the important role each business plays in serving the financial needs of the public.

It is important that a salesman of investment company shares recognize that insurance is a basic tool in creating immediate estates as a means of protecting against the hazard of premature death. He should also recognize the part insurance can play in providing guaranteed sums for the emergency needs of families.

It is important that agents recognize that investment share ownership provides an excellent means to participate in the growth and prosperity of the country and to obtain the benefits of diversification and professional investment management.

The salesman of investment shares should not receive any compensation from the sale of life insurance and the agent should not expect to receive any compensation from sale of investment company shares.

Agents and investment salesmen recognize that each is a specialist in his own field and should not attempt to advise his clients in the other field.

Harmonious relations between agents and shares salesmen should be maintained for successful results in financial planning for the public.

Detroit Cashiers Elect Ladzick

Detroit Life Agency Cashiers Assn. has elected William E. Ladzick, Connecticut Mutual, president. Other of-

ficers are Anne MacKenzie, Confederation Life, vice-president; Anita DeGeorge, Connecticut General, secretary, and Vincent J. Rudnik, New York Life, treasurer.

LIAMA Sets Dates for Combination Cos. Meets

LIAMA has announced the dates of the combination companies spring conferences through 1958. The 1955 meeting of the association's member companies which write industrial and ordinary is set for April 25-27 at Virginia Beach, Va.

Future combination conferences will be 1956, April 30-May 2; 1957, April 29-May 1; 1958, April 28-30.

Liberalizes Air Cover

Liberalizations in rates and retentions for certain types of civilian aviation coverages have been adopted by State Mutual Life.

Civilian student pilots previously charged \$10 extra per thousand, may now qualify at \$3.50 per thousand. Private pilots who were previously charged \$5 per thousand may now qualify for a rate as low as \$2.50 if they have more than 1,000 solo hours, while the rate for those with less than 1,000 solo hours will be \$3.50. Full commissions are now paid on all civilian aviation extra premiums and the company's limits of aviation risks have been increased.

New Accident Booklet

The 1954 edition of National Safety Council's statistical year book "Accident Facts", is off press. The 96-page book contains facts and figures on all types of accidents—industrial, traffic, home, farm and school, and is priced at 75 cents per single copy and less for quantities from the council at 425 North Michigan avenue, Chicago.

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INSURANCE COMPANY

Theo. P. Beasley, President

Home Office, Dallas

Must Convince Public, Knight Tells Cincinnati A & H Unit

Harland L. Knight, agency vice-president, Paul Revere Life and Massachusetts Protective, in speaking on his subject of "Nonsense but True," told the September meeting of the Cincinnati Assn. of A & H Underwriters that "there is never a time when you can fool all the people on anything, because there is one person you will never be fooling, and that is yourself."

He gave examples of "sales talks" by barkers for three different carnival attractions: (1) one barker is a little ashamed of what he sold and the buyer is a little ashamed of what he bought; (2) another sold a show that the buyer at least was not ashamed of having seen and just might recommend it to his friends; (3) and the one whose promise was more than true and, in fact, resulted in the buyer having thought he had received more for his money than he expected.

"We are in that type of selling," he said, "where we must convince the public that what we are doing is right. Make them understand and feel that what they have bought is the right merchandise."

He was introduced by Robert G. Myers, Cincinnati general agent for Paul Revere Life and Massachusetts Protective, who, as coworker with R. W. Bickelhaupt on the speakers committee for the Ohio association's sales caravan in October, also announced that the caravan would be in Cincinnati with a "capsule sales convention" on Oct. 20.

President M. Carl Shinkle announced a three-month membership drive in which all members will participate under captaincy of executive board members. The winning team will receive a free luncheon, with champagne, at the December meeting.

Aetna Life Promotes Lawton at Home Office

G. Albert Lawton, general agent of Aetna Life at New Haven for four years, has been appointed superintendent of agencies at the home office. Before going to New Haven, he was at the home office for seven years, first as agency assistant and subsequently as field supervisor and assistant superintendent of agencies.



G. Albert Lawton

Mr. Lawton entered insurance in 1939 with the company's general agency in Cleveland, where he rose to agency supervisor in two years. In 1953, he transferred to the home office as agency assistant. He is a graduate of LIAMA's school of agency management.

Manhattan Liberalizes War Hazard Policies

Manhattan Life has liberalized its war hazard underwriting. Policies issued without war clause to military risks will be ordinary or higher premium plans, with family income or home protection riders where applicable, provided the total face amount plus the commuted value of the rider does not exceed specified limits. Automatic waiver of premium will be included in standard policies. Term plans will require a war clause.

The liberalizations are intended to assist regular agents on business written in the normal course of solicitation and not to specialize in military risks.

Commissioned and warrant officers on full time active duty now will be

considered for \$20,000 without war clause if 40 or over, and for \$10,000 without war clause if under 40; enlisted and under 40 for \$10,000, without war clause; enlisted men, \$5,000 without war clause; Annapolis and West Point cadets, up to \$10,000 without war clause but with aviation exclusion rider; members of R.O.T.C. or similar organizations, \$10,000 with aviation exclusion rider if aviation training is involved; submarine officers up to \$10,000 with a rating of \$2.50 a thousand; and civilians classified 1-A in the draft or those planning active military service, usually without war clause.

Bankers Loan, Security Life & Trust Plan Merger

A proposal for the merger of Bankers Loan of Tallahassee with Security Life & Trust at Winston-Salem was revealed by Tully D. Blair, chairman of Security, who said that the merger would increase by about \$25 million insurance in force for Security. Bankers Loan has specialized in credit life and had \$20,484,115 in force at the end of 1953. Security writes life and disability and at the beginning of the year had \$439,736,930 in force.

According to the merger plan to be voted on this week by stockholders of the Florida firm, Security would absorb Bankers Loan and headquarters of the company would remain in North Carolina. If Bankers Loan stockholders approve, Security stockholders will meet at Winston-Salem Oct. 12 to vote on the proposal. Security already does business in Florida.

Bankers National Liberalizes Hospital Maternity Cover

Bankers National Life has changed its hospital expense policy to provide for a flat benefit of \$100 for maternity. Previously, only \$10 a day, up to 10 days was paid under the policy for maternity benefits. Now, no matter how short the hospital stay, the policyowner will receive the full \$100 maternity benefit.

K. C. Life Holds Regionals for Field Management

Kansas City Life held three regional sales training conferences for general agents, managers and supervisors, two at Kansas City and one at San Francisco. About 40 field men attended each.

Discussions centered around the importance of concentrating on a proven package sale and training new agents. Among home office officials attending were W. E. Bixby, president; J. A. Budinger, vice-president; C. W. Arnold, vice-president and superintendent of agencies; Jack McInnes, agency secretary; E. E. Chappell and Maurice R. Smith, assistant superintendents of agencies; Verne N. Barnes, director of field training, and Richard S. Haggman, director of public relations.

L. E. Reitz Joins K. C. Life

Kansas City Life has appointed Loren E. Reitz general agent for western Pennsylvania, with headquarters at Franklin.

An 18-year insurance veteran, Mr. Reitz served 13 years as a personal producer and the balance in middlewest and eastern managerial posts. He at one time was assistant manager at Newark for Connecticut General Life and later manager for that company at Kansas City. He is an air corps veteran.

Loren E. Reitz

O. R. Frey, a 42-year Bankers Life of Nebraska veteran, received a diamond ring on his retirement as general agent at Lincoln, Neb. Pictured here are S. R. Purtzer, director of agency research; Howard Wilson, president; Mr. Frey, and Charles H. Heyl, vice-president and director of agencies.



Mr. Frey, who is continuing in personal production, was Lincoln general agent for more than 26 years. He is a past-president of both Nebraska and Lincoln Assns. of Life Underwriters.

Pratt Heads Commercial Travelers Federation Integrate Departments, Erase Claims Problems

International Federation of Commercial Travelers Insurance Organizations, at its annual meeting in Swampscott, Mass., elected R. E. Pratt of Travelers Health Assn., Omaha, president; Edward Trevett of Commercial Travelers Mutual Accident Assn., Utica, N. Y., vice-president; John W. Whittemore of Eastern Commercial Travelers A&H Assn., Boston, secretary; and Frederick A. Nichols of Connecticut Commercial Travelers Mutual A&H Assn., New Haven, chairman of the executive committee.

Dutton Stahl of Iowa State Traveling Men's Assn., Des Moines, talked on "The Evolution of Advertising A&H Insurance"; D. W. Dillon of United Commercial Travelers of Columbus, O., discussed current insurance problems and possible solutions, dealing principally with the insurance on those of advanced age. Moses G. Hubbard, general counsel, Utica, gave a talk on federal legislation as it pertains to the A&H industry. He emphasized that he feels the A&H business is adequately supervised by the states.

Robert W. Schooley of Allan Commercial Service, New York City, talked on "Men Who Die In Vain." This subject pertained to suicide and how futile this means of collecting accident insurance proved to be. John F. Cox of Illinois Commercial Men's Assn., Chicago, reviewed some unusual aspects of claims.

Tracey E. Herrick, attorney of Cleveland, discussed the problems of a retired man who is still active in mind and body and how difficult it is for him to adjust himself. Maurice F. Brennan, Illinois Traveling Men's Health Assn., Chicago, pointed out the necessity of modern accounting systems and Robert E. Eckman of the Dickie-Raymond Advertising Agency, Boston, talked on mail order insurance.

The 1955 meeting will be held at Sun Valley, Ida. Sept. 5-7.

Van Hecke Advanced

Jefferson Standard Life has promoted James M. Van Hecke to assistant secretary and assistant manager of the policyholders service department. He has worked in several departments and branch offices of the company since 1938.

Hester & Hester Holds Open House

The Hester & Hester agency of Pan-American Life recently held open house in its new offices in the Milner building at Jackson, Miss. Home office officials on hand were Kenneth D. Hamer, vice-president and agency director; John Y. Ruddock, vice-president and actuary; Dr. Reynold C. Voss, vice-president and medical director, and J. B. Donnelly, manager group and pension department. The agency has Mississippi as its territory.

A forward-looking claim executive will undertake to integrate the work of his department with the group, personal A&H, sales and service, agency, medical, underwriting and the actuary departments, Edward J. Bohne, president of International Claim Assn., told the association meeting at Portsmouth, N. H. Mr. Bohne, who is claims department superintendent of Equitable Life of New York, spoke on the responsibility of a claim executive now and in the future.

Mr. Bohne took as an example the group contract that provides for a 14-day waiting period with respect to new born infants as illustrating the necessity to integrate departmental work. If the sales and service representative and the brochures made it clear to both the group and the employees that no claim would be recognized which arose during the first 14 days of life, the claim department would be relieved of considerable future difficulty trying to explain the terms of the coverage. He indicated that if buyers knew about the exclusion and small cost of first day coverage they would probably be willing to pay the added premium.

Another situation is where group hospitalization coverage is installed. Usually the contract provides that it will not include any persons in the hospital at the time of installation, but only hospitalizations occurring subsequently. Failure on the part of the agent and the service representative to make this clear to the group patron and the employees results in problems coming to the claim department which often cause misunderstanding and bad public relations.

In the expanding field of personal A&H, there is also a need for liaison and close integration between the agency and claim department. It is usually agreed that most avoidable problems in A&H claims originate at the time the contract is sold. There is an urgent need that the agent thoroughly explain the policy he is selling. This calls for proper field selection and proper training of field personnel. The claim executive, by bringing to the attention of the agency and sales departments some of the problems with which he is confronted, can be a strong force in having selling and educational programs adopted which will tend to avoid many of the claims problems of the future, he said.

There is also an urgent need for a closer working arrangement with the medical department to help solve the new and complex medical problems connected with group coverages and personal A&H policies. The claim executive must take the responsibility to develop such a relationship.

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